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FIRST REPORT
OF THE
TRUSTEES OF THE
BOSTON ELEVATED RAILWAY
COMPANY

(For the Year ending December 31st)

1918



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BOSTON ELEVATED RAILWAY
COMPANY

(For the Year ending December 31st)

1918

BOSTON
1919

Operating Departments

CHARLES D. EMMONS *General Manager*
(Appointed Nov. 25, 1918.)

H. BERTRAM POTTER *Asst. General Manager*
(Appointed Jan. 10, 1919.)

EDWARD MAHLER *Purchasing Agent*

CLARENCE E. LEARNED *Supt. of Inspection*

EDWARD DANA *Supt. of Transportation*

FREDERICK S. FREEMAN *Supt. of Power*

JOHN LINDALL *Supt. of Rolling Stock and Shops*

HARRY M. STEWARD *Supt. of Maintenance*

Other Departments

CLARENCE K. REED *General Auditor*
(Appointed Dec. 1, 1918.)

LAW DEPARTMENT

H. WARE BARNUM *General Counsel*
(Appointed Dec. 1, 1918.)

RUSSELL A. SEARS *General Attorney*

CHARLES B. GLEASON *Attorney*

DANIEL L. PRENDERGAST *Real Estate Agent*

ROBERT L. NORTON *Director of Publicity*
(Appointed Dec. 1, 1918.)

Directors

MATTHEW C. BRUSH, *Chairman.*
(Elected Oct. 28, 1918.)

WILLIAM A. BANCROFT.

JOHN J. BRIGHT.

SAMUEL CARR.

GEORGE P. GARDNER.

SYDNEY HARWOOD.

JAMES M. PRENDERGAST.

FRANK W. REMICK.
(Elected Oct. 28, 1918.)

JAMES L. RICHARDS.

WILLIAM S. SPAULDING.

EUGENE V. R. THAYER.

ROBERT WINSOR.

REPORT OF TRUSTEES.

From January 1, 1918 to July 1, 1918, the railway was operated by the stockholders, and, from July 1, 1918 to and including December 31, 1918, the railway was operated by trustees appointed by the Governor under the provisions of Chapter 159 of the Special Acts of 1918.

This act was accepted by the Boston Elevated Railway Company and by the West End Street Railway Company on June 3, 1918, and certificates that it had been duly accepted and that the three million dollars of preferred stock named therein had been duly subscribed for were filed with the Secretary of the Commonwealth on June 24, 1918. On July 1, 1918 Governor McCall nominated as the board of trustees to assume the possession and management of the property,

WILLIAM M. BUTLER

LOUIS A. FROTHINGHAM

STANLEY R. MILLER

JOHN F. STEVENS

GALEN L. STONE

Mr. Frothingham was elected Chairman and Mr. Miller Secretary of the Board.

Mr. Frothingham resigned on October 23, 1918 to enter military service, and on October 28, 1918 the Governor nominated Mr. Samuel L. Powers to fill the vacancy.

Mr. Butler was chosen to succeed Mr. Frothingham as Chairman of the board. Mr. Butler resigning on December 16, 1918, the Governor nominated Mr. James F. Jackson to fill the vacancy. Mr. Jackson qualified on January 2, 1919 and thereupon was elected Chairman of the Board.

Mr. Galen L. Stone resigned on January 15, 1919 and Governor Coolidge named as his successor Mr. Winthrop Coffin who was duly qualified on February 15, 1919.

THE SEVEN-CENT FARE.

The trustees in fulfillment of their obligation under the statute with reference to the establishment of fares, in July fixed the rate of fare at seven cents, effective August 1, 1918, in place of the five-cent fare previously collected although at the time a petition of the Carmen's Union for increase of wages was pending before the National War Labor Board, the trustees were advised that an increase of two cents in the rate of fare should increase the total revenue of the Company by six million dollars per year, which increase was estimated to be sufficient to pay the cost of service within the meaning of the statute.

Under the seven-cent fare, the passenger receipts as compared with the corresponding months of 1917, when a five-cent fare was in effect, showed an increase of \$999,034.16. The percentage of increase for each month being as follows:

		Per Cent. of Increase
August	1918	23.79%
September	1918	12.09
October	1918	2.91
November	1918	21.03
4 Months	1918	15.82%

The number of revenue passengers carried during the same period decreased 21,972,995. The per cent. of decrease for each month being as follows:

		Per Cent. of Decrease
August	1918	11.49%
September	1918	20.02
October	1918	26.48
November	1918	13.64
4 Months	1918	17.38%

During part of the period in which the seven-cent fare was in effect the business of the company was seriously affected by the epidemic of influenza, which reached Boston in September. This necessitated the closing of schools and places of amusement for nearly four weeks with the result that the

earnings in October, 1918, under a seven-cent fare, were less than fifty thousand dollars in excess of the earnings of October, 1917, under a five-cent fare.

THE EIGHT-CENT FARE.

The award of the War Labor Board was made in October and established a higher scale of wages than had been anticipated. It was evident that the seven-cent fare would be wholly inadequate to meet the cost of service, and the trustees thereupon fixed the rate of fare at eight cents, effective December 1, 1918.

Under the eight-cent fare, the passenger receipts for the month of December, 1918, as compared with the month of December, 1917, when a five-cent fare was in effect, showed an increase of \$595,039.68, or 36.28%, while the number of revenue passengers carried showed a decrease of 4,883,564 or 14.86%.

Thus far the receipts from the eight-cent fare have proved inadequate to meet the cost of the service, but this fare will be continued in force long enough to provide an experience of several months.

The trustees have considered every means of reducing the cost of service so as not to inflict upon the car rider an unnecessary burden of fare. In September, they engaged Mr. Peter Witt, of Cleveland, and Professor A. S. Richey, of Worcester, to make studies, and suggestions with reference to fares. The trustees believe that while a flat fare must be so high in order to meet operating expenses, a zone fare should be considered, although it would not be desirable if a low flat fare were possible. They believe that a zone system should at least be given a trial, and they have proposed to divide the territory served into an inner zone and an outer zone in each of which a fare of five cents might be tried.

Since the close of the year 1918, however, measures have been introduced in the Massachusetts Legislature which, if

enacted, would prohibit or make inexpedient any attempt at a zone system. Further consideration of the experiment is therefore, for the time being, postponed.

POWER.

During the year the Somerville Sub Station was completed. It was put into operation on February 4, 1918 with a capacity of 4,000 kilowatts. This consisted of two 2,000 K.W. Westinghouse Rotary Converters, which were transferred from the Washington Village Sub Station.

The capacity of the Washington Village Sub Station was increased from 4,000 to 6,000 kilowatts by installing two new 3,000 K.W. Westinghouse Rotary Converters.

At Lincoln Power Station, work was commenced on June 20, 1918 in connection with the installation of a new 25,000 K.W. A.C. Turbo Generator, replacing one 2,700 K.W. (D.C.) Vertical, cross compound, engine-driven unit. This work has been hampered by precedence given to war orders, but it is expected the new unit will be in operation in the spring of 1919. A new Sullivan Motor-driven Air Compressor of 1,160 cu. ft. capacity has been installed.

At South Boston Power Station the new 35,000 K.W. General Electric Turbo Generator was completely wrecked on February 14, 1918. The cost of repairing the damage will be borne by the contractor, and although this work has also been hampered by the preference to government work, it is expected it will be in condition for operation in the spring of 1919. Mechanical soot blowers have been installed on the twenty boilers.

Work is now underway for the installation of an additional 2,000 K.W. Rotary Converter at the Charlestown Power Station.

To carry the load anticipated for next winter, it will probably be necessary to add additional converters at both the Lincoln and Charlestown Power Stations.

The capacity of the Power Stations owned at the present time

in active service is 94,000 kilowatts (D.C.) with 6,390 Kilowatts in inactive stations. This comprises the equipment in 6 active and 2 inactive main stations and 13 Sub Power Stations.

CARS.

During the year, the trustees have purchased two hundred new centre-entrance motor cars and fifty centre-entrance trailer cars. These will cost approximately \$3,028,000. Work is underway to complete forty-six 25 ft. articulated car units, the center compartments for which were on hand when the trustees took office.

Eighty G.E. 74 type Motors on the No. 1 semi-convertible cars have been replaced by Westinghouse type 306 at a cost of approximately \$64,000.

Three hundred and sixty-four G.E. 202 type Motors on the No. 3 semi-convertible cars have been replaced with G.E. 203 type which cost approximately \$362,000.

Seventy Air Compressors on No. 4 semi-convertible cars have been replaced.

Six new double-truck Russell Snow Plows have been added to the equipment.

Final deliveries have been received on the 42 new elevated cars, ordered for delivery in 1916, and these have been put into service.

The 35 Cambridge Subway cars, ordered for delivery in November, 1917, have not been received, but it is expected that deliveries will start within a few weeks' time.

The trustees have authorized obsolete rolling stock, to the value of \$750,000 destroyed.

SHOPS AND CAR HOUSES.

Clarendon Hill Carhouse, which was burned by fire on April 7, 1918, has been remodelled, and additional car storage capacity provided in the yard.

An addition has been made to the Eagle Street, East Boston Carhouse.

TRANSPORTATION FACILITIES.

Since July, the trustees have had rebuilt 4 miles and repaired 18.64 miles of surface track.

A loop track was constructed at the Hood Rubber Company's Factory, Mt. Auburn St., Watertown, so that the transportation of their employes and other traffic in that vicinity might be facilitated. This was opened July 20, 1918.

A new prepayment area was constructed at the Watertown Arsenal and opened on December 30, 1918.

A new surface prepayment area was opened at Egleston Square on January 20, 1918.

The Everett Elevated Extension will be operated in 1919. This has been under construction for some time, and trains will be operated to the temporary station erected south of the Boston & Maine "Everett" Station. It is expected that this will relieve congestion at the Sullivan Square terminal.

December 28, 1918, a new transfer privilege was instituted at Hyde Square to permit passengers from Brookline to transfer to inbound Center Street cars. This was instituted mainly for the employes of the Plant Factory located nearby.

Smoking cars on trains were discontinued on December 28, 1918.

A five-cent fare for school children, effective January 1, 1919, was authorized.

WAGES.

During the year the employes of the company have received wage increases which, if applied to a full year, would amount to about four million dollars.

From March 1, 1918, an increase of 2 cents per hour war bonus, was awarded by Henry B. Endicott, Executive Manager of the Public Safety Committee.

From May 1, 1918, an increase of $\frac{3}{4}$ of a cent per hour for car and train employes and an increase of 1 cent per hour to other employes became effective under the 3-year agreement with the Amalgamated Association of Street and Electric Railway Employes of America.

From June 15, 1918, increases were allowed employes of the company based on the award of the National War Labor Board aggregating three and one-half million dollars per annum.

Agreements have also been effected with ten Crafts Unions.

The total payroll of the company for the 6 months ending December 31, 1918, amounted to \$6,695,030.98, of which \$6,379,986.77 entered into the cost of service, and shows an average per passenger of 3.915 cents.

DEPRECIATION.

The statute under which the trustees act requires that they shall set aside "such allowance as they may deem necessary or advisable for depreciation of property and for obsolescence and losses in respect to property sold, destroyed or abandoned."

After reviewing the report made by Mr. John A. Beeler, specially employed as Consulting Engineer by the Massachusetts Public Service Commission, and after considering studies made by the officials of the company, and in order to put the property in the best condition for economical operation, the trustees voted:

"That a general depreciation credit be established in the sum of \$167,000 for the month of July, 1918, and each subsequent month."

SUBWAY RENTALS.

The trustees upon assuming office were confronted with the burden which is placed upon the car rider by requiring the company to pay the subway rentals which it now is obliged to pay

to the City of Boston and which are charged to the car rider in the cost of operation.

The trustees believe that subways are nothing more than highways under the surface and that the public should own all its highways whether on the surface or below the surface.

It became necessary some years ago for some of the traffic to be removed from the surface of Tremont street, and it was decided that it should be the street cars that should occupy an underground way. The trustees believe that the public owes the same duty to furnish a highway for the street car rider that it owes the pedestrian or other traveler. Legislation has been sought to carry out these principles.

The company owns the subway in Cambridge from Harvard Sq. to the Cambridge Bridge. The trustees have petitioned the legislature for authority to sell that subway to the Commonwealth of Massachusetts acting in behalf of the communities served by the railway. Such sale would furnish capital much needed for permanent investments which would inure to the benefit of the car rider and the public and secure economies which must work toward a reduction in fares.

The trustees have also asked that the company be reimbursed from the public treasury for the subway rentals which it is called upon to pay. They now approximate one and a half million dollars per annum. With the Cambridge Subway the amount would be about two million dollars. The legislation sought means that while these rentals must be paid under existing contracts, the communities served by the railway would contribute from general taxation a sum sufficient to reimburse the company for the amount so paid.

OPERATIONS—JANUARY TO JUNE, 1918.

A summary of business for the 6 months January to June, 1918, is as follows:

Gross revenue from operation		\$9,571,935.80
Operating expenses		7,284,348.20
Net revenue railway operations		\$2,287,587.60
Income from lease of road	\$411.72	
Dividend income	4,590.00	
Income from funded securities	4,861.75	
Income from unfunded securities and accounts	9,671.49	
Income from sinking fund and other reserves	16,640.00	
Miscellaneous income	814.04	
		35,989.00
		\$2,324,576.60
Tremont Subway rental	\$97,753.78	
Less		
Amount charged Bay State St. Ry. Co.	\$8,858.04	
Amount charged the Wilbur Theatre	61.60	8,919.64
		\$88,834.14
Interest on funded debt of West End St. Ry. Co.	497,198.74	
Dividend rental on preferred stock of West End St. Ry. Co., 8% per annum	256,000.00	
Dividend rental on common stock of West End St. Ry. Co., 7% per annum	491,044.75	
Organization expenses of West End St. Ry. Co.	4,250.00	
Dividend on stock of Somerville Horse R. R. Co.	4,590.00	
Taxes on West End St. Ry. Co.	284,418.03	
Taxes on Somerville Horse R. R.	2,108.66	
Rent of property of Bay State St. Ry. Co.	27,553.26	
Rent of Newtonville & Watertown St. Ry.	2,982.98	
Total accruals on account of leased railways		1,658,980.56
Amount carried forward		\$665,596.04

<i>Amount brought forward</i>		\$665,596.04
Interest on funded debt	\$560,393.73	
Interest on unfunded debt	77,251.25	
Corporate franchise and real estate taxes	142,390.35	
Federal capital stock taxes	4,375.50	
Federal and Mass. income taxes	23,827.24	
Miscellaneous tax items	12,785.32	
Washington Tunnel rental	178,319.37	
East Boston Tunnel rental	34,779.43	
East Boston Tunnel Extension rental	50,350.86	
Cambridge Connection rental	35,561.91	
Boylston Subway rental	106,573.27	
Dorchester Tunnel rental (2 days)	2,637.41	
Miscellaneous debits	2,501.93	
Amortization of discount on funded debt	3,909.06	
Net loss on Miscellaneous Physical Prop- erty for 6 months	2,215.67	1,237,872.30
Deficit for the 6 months		<u>\$572,276.26</u>

Volume of business for the 6 months:

Total revenue passengers carried	185,699,883
Decrease as compared with the corresponding 6 mos. of the previous year	4,551,109
Or a decrease of about	2.39%

OPERATIONS—JULY TO DECEMBER, 1918.

A summary of business for the 6 months July to December, 1918, is as follows:

Gross revenue from operation	\$11,405,029.15
Operating expenses	10,711,749.12
Net revenue railway operations	<u>\$693,280.03</u>
Income from lease of road	\$411.68
Dividend income	4,590.00
Income from funded securities	1,805.25
Income from unfunded securities and ac- counts	24,342.52
Income from sinking fund and other reserves	16,640.00
Miscellaneous income	949.42
<i>Amount carried forward</i>	<u>48,738.87</u>
	\$742,018.90

Amount brought forward		\$742,018.90
Tremont Subway rental	\$97,753.78	
Less		
Amount charged Bay State St. Ry. Co.	9,685.03	
		\$88,068.75
Interest on funded debt of West End St. Ry. Co.	514,530.01	
Dividend rental on preferred stock of West End St. Ry. Co., 8% per annum	256,000.00	
Dividend rental on common stock of West End St. Ry. Co., 7% per annum . . .	491,044.75	
Organization expenses of West End St. Ry. Co.	4,250.00	
Dividend on stock of Somerville Horse R. R. Co.	4,590.00	
Taxes on West End St. Ry. Co.	258,225.41	
Taxes on Somerville Horse R. R. . . .	1,451.65	
Rent of property of Bay State St. Ry. Co.	18,268.00	
Rent of Newtonville & Watertown St. Ry.	3,008.64	
Total accruals on account of leased railways		\$1,639,437.21
		\$897,418.31
Interest on funded debt	\$560,393.73	
Interest on unfunded debt	104,118.43	
Corporate franchise and real estate taxes	143,366.70	
Federal capital stock taxes	2,717.00	
Federal and Mass. income taxes	23,827.30	
Miscellaneous tax items	18,022.33	
Washington Tunnel rental	178,320.12	
East Boston Tunnel rental	41,542.27	
East Boston Tunnel Extension rental . .	50,364.48	
Cambridge Connection rental	35,562.34	
Boylston Subway rental	108,954.14	
Dorchester Tunnel rental	236,106.06	
Miscellaneous debits	2,887.13	
Amortization of discount on funded debt	3,909.06	
Net loss on Miscellaneous Physical Property for 6 months	6,920.36	
		\$1,517,011.45
		\$2,414,429.76
Dividend Rental under Special Acts of 1918:		
Preferred Stock, paid Jan. 2, 1919,		
\$2.04 1/6 per share	\$61,250.00	
Common stock, paid Jan. 2, 1919, \$2.50 per share	596,985.00	
		658,235.00
Deficit for the 6 months		\$3,072,664.76

Volume of business for the 6 months:

Total revenue passengers carried	162,964,817
Decrease as compared with the corresponding 6 mos. of the previous year	27,801,529
Or decrease of about	14.57%

We annex a full statement of the condition of the company for the year ending December 31, 1918, compiled by our General Auditor, Mr. Clarence K. Reed.

Appended is a copy of a certificate from Price, Waterhouse & Company, Accountants, certifying to the correctness of the General Balance Sheets, Income Statement and Profit and Loss Account.

For convenience, we have shown in the last part of this report a Combined Balance Sheet of the Boston Elevated Railway Company and the West End Street Railway Company as of December 31, 1918. This was prepared by Price, Waterhouse & Company, Accountants.

JAMES F. JACKSON, Chairman,
WINTHROP COFFIN,
STANLEY R. MILLER,
SAMUEL L. POWERS,
JOHN F. STEVENS,

Trustees.

April, 1919.



Boston, March 19, 1919.

We have audited the accounts of the Boston Elevated Railway Company and of its leased company, the West End Street Railway Company, with which it is under contract to merge in June, 1922, for the twelve months' period ending December 31, 1918.

The road and equipment are stated at book values without adequate provision for depreciation prior to June 30, 1918. For the six months' period ending December 31, 1918, current accruing depreciation was provided at a rate which we consider sufficient.

We have verified all securities owned by the company, these being stated at their cost values, which in some cases exceed the market values, and have verified all cash deposits and other current assets and satisfied ourselves that capital and other liabilities are correctly stated.

Subject to the foregoing, we certify that in our opinion the attached balance sheets of the Boston Elevated Railway Company and the consolidated balance sheet at December 31, 1918 are properly drawn up so as to show the true financial position of the companies and that the relative profit and loss account is correct.

PRICE, WATERHOUSE & Co.

GENERAL AUDITOR'S REPORT.

Boston, April 1, 1919.

TO THE BOARD OF TRUSTEES OF THE BOSTON ELEVATED RAILWAY
COMPANY:

Gentlemen,—I herewith submit the following statements of the
business of the Company for the year ending December 31, 1918:

- A. GENERAL BALANCE SHEET—JUNE 30, 1918.
- B. GENERAL BALANCE SHEET—DECEMBER 31, 1918.
- C. INCOME STATEMENT.
- D. PROFIT AND LOSS ACCOUNT.
- E. STATEMENT OF THE SPECIAL TRUST FUND.
- F. TRAFFIC STATISTICS.
- G. MILEAGE OF TRACK.
- H. EQUIPMENT.
- I. SUMMARY OF STOCKHOLDERS.

Yours respectfully,

CLARENCE K. REED,
General Auditor.

A. GENERAL BALANCE SHEET.

ASSETS.

INVESTMENTS:

Road and equipment at Jan. 1, 1918	\$54,380,800.86	
Additions and betterments during the 6 months ending June 30, 1918	976,532.53	
Total		\$55,357,333.39
Miscellaneous physical property (purchased from the West End St. Ry. Co. under Chap. 940, Acts 1911)		988,748.94
Investments in affiliated companies:		
Stocks		201,509.72
Advances:		
West End St. Ry. Co.:		
Road and equipment ac- counts	\$559,769.76	
Current account	884,336.34	
Other companies—Road and equipment	102,852.11	
Total		\$1,546,958.21
Other investments:		
Stocks		2,501.00
Notes		133,450.00
Advances		34,731.33
Total investments		\$58,265,232.59

CURRENT ASSETS:

Cash	\$590,465.39	
Deposits for interest, dividends and rents unpaid	359,347.75	
Special deposit of Reserve Fund, under Chap. 159, Special Acts 1918	1,000,000.00	
Loans and notes receivable	5,671.10	
Miscellaneous accounts receivable	202,430.43	
Material and supplies	2,506,639.41	
Interest, dividends and rents re- ceivable	14,222.76	
Other current assets	24,911.62	
Total current assets		4,703,688.46

DEFERRED ASSETS:

Insurance and other funds	\$835,750.00	
Total deferred assets		835,750.00

UNADJUSTED DEBITS:

Rents and insurance premiums paid in advance	\$44,455.45	
Discount on funded debt	307,061.44	
Other unadjusted debits	119,122.23	
Total unadjusted debits		470,639.12

GRAND TOTAL:		<u>\$64,275,310.17</u>
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A.

JUNE 30, 1918.

LIABILITIES.

Capital stock (common)	\$23,879,400.00	
Installment on Preferred stock . .	1,050,000.00	
Premium on capital stock	2,707,428.13	
Total stock		\$27,636,828.13
LONG-TERM DEBT:		
Funded debt unmatured	\$26,586,000.00	
Mortgage note	125,000.00	
Non-negotiable debt to affiliated companies:		
Open account (West End St. Ry. Co.)	1,207,201.98	
Total long-term debt		27,918,201.93
CURRENT LIABILITIES:		
Loans and notes payable	\$3,240,900.00	
Audited accounts and wages payable	1,884,353.66	
Matured interest, dividends, and rents unpaid	360,553.25	
Accrued interest, dividends, and rents payable	865,046.84	
Total current liabilities		6,350,853.75
DEFERRED LIABILITIES:		
Other deferred liabilities	67,878.64	
Total deferred liabilities		67,878.64
UNADJUSTED CREDITS:		
Tax liability	\$670,937.41	
Premium on funded debt	12,314.96	
Insurance reserve	150,000.00	
Operating reserve—for injuries and damages	731,765.42	
Accrued depreciation, road and equipment	616,323.98	
Other unadjusted credits	75,701.55	
Reserve for back pay—June 15th to 30th	117,402.98	
Total unadjusted credits		2,374,446.30
Total		\$64,348,208.80
CORPORATE SURPLUS:		
Profit and loss—balance (<i>debit</i>) . .	72,898.63	
Total corporate surplus (<i>debit</i>)		72,898.63
GRAND TOTAL		\$64,275,310.17

B. GENERAL BALANCE SHEET.

ASSETS.

INVESTMENTS:

Road and equipment at July 1, 1918	\$55,357,333.39	
Additions and betterments during the 6 months ending Dec. 31, 1918	677,653.98	
Total		\$56,034,987.37
Miscellaneous physical property (purchased from the West End St. Ry. Co. under Chap. 940, Acts 1911)		946,025.57
Investments in affiliated companies:		
Stocks		201,509.72
Advances:		
West End St. Ry. Co.:		
Road and equipment ac- counts	\$451,878.14	
Current account	884,336.34	
Other companies—road and equipment	102,852.11	
Total		1,439,066.59
Other investments:		
Stocks		2,501.00
Notes		132,850.00
Advances		61,393.36
Total investments		\$58,818,333.61

CURRENT ASSETS:

Cash	\$924,941.39	
Deposits for interest, dividends and rents unpaid	1,003,525.00	
Special deposit of Reserve Fund, Chap. 159, Special Acts 1918	510,000.00	
Loans and notes receivable	5,326.75	
Miscellaneous accounts receivable	297,587.13	
Material and supplies	3,253,823.69	
Interest, dividends and rents re- ceivable	13,725.50	
Other current assets	15,309.09	
Total current assets		6,024,238.55

DEFERRED ASSETS:

Insurance and other funds	\$835,750.00	
Total deferred assets		835,750.00

UNADJUSTED DEBITS:

Rents and insurance premiums paid in advance	\$68,819.87	
Discount on funded debt (net)	288,463.46	
Other unadjusted debits	141,239.58	
Total unadjusted debits		498,522.91

GRAND TOTAL	\$66,176,845.07
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B.
DECEMBER 31, 1918.

LIABILITIES.

STOCK:

Preferred stock	\$3,000,000.00
Common stock	23,879,400.00
Premium on capital stock	<u>2,707,428.13</u>

Total stock \$29,586,828.13

LONG-TERM DEBT:

Funded debt unmatured	\$26,586,000.00
Mortgage note	125,000.00

Non-negotiable debt to affiliated companies:

Open account (West End St. Ry. Co.)	<u>1,214,948.88</u>
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Total long-term debt 27,925,948.88

CURRENT LIABILITIES:

Loans and notes payable	\$5,143,100.00
Audited accounts and wages payable	1,755,923.95
Matured interest, dividends, and rents unpaid	1,004,730.50
Accrued interest, dividends, and rents payable	<u>831,507.00</u>

Total current liabilities 8,735,261.45

DEFERRED LIABILITIES:

Other deferred liabilities	<u>\$23,530.63</u>
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Total deferred liabilities 23,530.63

UNADJUSTED CREDITS:

Tax liability	\$333,588.07
Insurance reserve	44,172.40
Operating reserve—for injuries and damages	933,762.84
Accrued depreciation, road and equipment	1,506,299.56
Other unadjusted credits	<u>233,818.65</u>

Total unadjusted credits 3,051,641.52

Total \$69,323,210.61

CORPORATE SURPLUS:

Profit and loss:

Balance June 30, 1918 (<i>debit</i>)	72,898.63
Balance since June 30, 1918 (<i>debit</i>)	<u>3,073,466.91</u>

Total corporate surplus (*debit*) 3,146,365.54

GRAND TOTAL \$66,176,845.07

C.

INCOME STATEMENT.

OPERATING INCOME:

Railway operating revenues:

Revenue from transportation:

Passenger revenue	\$20,337,459.92
Parlor and special car revenue	14,952.19
Mail revenue	815.47
Express revenue	106,707.04
Miscellaneous transportation revenue	2,846.47

Total revenue from transportation	\$20,462,781.09
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Revenue from other railway operations:

Station and car privileges	\$291,300.48
Rent of tracks and facilities	38,822.62
Rent of equipment	15,189.44
Rent of buildings and other property	62,968.74
Power	72,972.27
Miscellaneous	32,930.31

Total revenue from other railway operations	514,183.86
---	------------

Total railway operating revenues	\$20,976,964.95
----------------------------------	-----------------

RAILWAY OPERATING EXPENSES:

For maintenance of way and structures	\$2,372,932.21
For maintenance of equipment	3,142,368.70
For power	2,604,365.66
For conducting transportation	7,772,434.25
For traffic	9,167.34
For general and miscellaneous	2,094,829.16

Total operating expenses	17,996,097.32
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Net revenue—Railway operations	\$2,980,867.63
--	----------------

TAXES ASSIGNABLE TO RAILWAY OPERATIONS	917,515.49
--	------------

Total operating income	\$2,063,352.14
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Amount carried forward	\$2,063,352.14
----------------------------------	----------------

C.

YEAR ENDING DECEMBER 31, 1918.

<i>Amount brought forward</i>		\$2,063,352.14
NON-OPERATING INCOME:		
Income from lease of road	\$823.40	
Dividend income	9,180.00	
Income from funded securities . .	6,667.00	
Income from unfunded securities and accounts	34,014.01	
Income from sinking fund and other reserves	33,280.00	
Miscellaneous income	1,763.46	
Total non-operating income		85,727.87
Gross income		\$2,149,080.01
DEDUCTIONS FROM GROSS INCOME:		
*Rent for leased roads	\$2,752,214.02	
†Miscellaneous rents	1,059,071.66	
Net loss on miscellaneous physical property for year. (Purchased from W. E. St. Ry. Co. under Chap. 940, Acts 1911)	9,136.03	
Interest on funded debt	1,120,787.46	
Interest on unfunded debt	181,369.68	
Amortization of discount on funded debt	7,818.12	
Miscellaneous debits	5,389.06	
Total deductions from gross income		\$5,135,786.03
NET LOSS TRANSFERRED TO DEBIT OF PROFIT AND LOSS		\$2,986,706.02

* Includes rent for Tremont Subway, \$176,902.89.

† Rents for all other subways and tunnels.

D.

PROFIT AND LOSS ACCOUNTS.

OPERATIONS TO JUNE 30, 1918.

DEBIT.

To debit balance transferred from Income Account		\$454,873.28
MISCELLANEOUS DEBITS:		
To loss due to sale of mortgage note	\$1,350.00	
To other Miscellaneous Debits	55.87	1,405.87
To debit balance transferred from Income Account:		
Back Pay, June 15th to 30th, charged in December		\$117,402.98
TOTAL		<u><u>\$573,682.13</u></u>

CREDIT.

By credit balance at beginning of year		\$28,557.78
MISCELLANEOUS CREDITS:		
By amounts transferred from:		
Fire Insurance Reserve	\$416,326.51	
Winter Expense Reserve	50,000.00	
Liability Insurance Reserve—		
Cambridge Subway	5,899.21	472,225.72
By debit balance		72,898.63
TOTAL		<u><u>\$573,682.13</u></u>

D.

YEAR ENDING DECEMBER 31, 1918.

OPERATIONS SINCE JUNE 30, 1918.

DEBIT.

To debit balance transferred from Income Account		\$2,414,429.76
DIVIDEND APPROPRIATION OF SURPLUS:		
To Dividends on Preferred Stock, Paid Jan. 2, 1919—\$2.04 1/6 per share on 30,000 shares	\$61,250.00	
To Dividends on Common Stock. Paid Jan. 2, 1919—\$2.50 per share on 238,794 shares	596,985.00	658,235.00
MISCELLANEOUS DEBITS:		
To uncollectable accounts—cancelled		802.15
TOTAL		\$3,073,466.91

CREDIT.

By debit balance	\$3,073,466.91
TOTAL	\$3,073,466.91

SUMMARY OF PROFIT AND LOSS ACCOUNTS.

For Operations to June 30, 1918—debit balance	\$72,898.63
For Operations since June 30, 1918—debit balance	3,073,466.91
TOTAL (debit) December 31, 1918	\$3,146,365.54

E.

BOSTON ELEVATED RAILWAY COMPANY, TRUSTEE.

STATEMENT OF SPECIAL TRUST FUND.

DECEMBER 31, 1918.

Principal of Trust Fund as established	\$1,500,000.00
Accretions and accumulations of income to December 31, 1918	401,213.33
TOTAL	<u>\$1,901,213.33</u>
Investment in marketable securities and real estate .	\$1,855,502.33
Cash	45,711.00
TOTAL	<u><u>\$1,901,213.33</u></u>

The above Trust Fund is held by the Boston Elevated Railway Company under Chapter 740, Acts of 1911, "An Act to authorize the consolidation of properties and franchises of the Boston Elevated Railway Company and the West End Street Railway Company," and represents the proceeds from the sale to the Boston Elevated Railway Company of real estate of the West End St. Ry. Company, which was not required in the conduct of the business. The amount so received (\$1,500,000) is to be held by the Boston Elevated Railway Company and invested by it and allowed to accumulate until the tenth day of June 1922, when the consolidation of the two companies is to take place. Thereafter, the annual income therefrom shall be applied toward the purchase and retirement of the second preferred stock of the Boston Elevated Company. No part of this fund or its income can be used for any other purpose.

F.

TRAFFIC STATISTICS.

YEAR ENDING DECEMBER 31, 1918.

ROUND TRIPS.

Run by Rapid Transit Passenger cars	1,204,348
Run by Surface Passenger cars	5,403,123
Run by Express cars, etc.	14,987
TOTAL	6,622,458

REVENUE MILES.

Run by Rapid Transit Passenger cars	13,364,229
Run by Surface Passenger cars	39,398,056
Run by Express cars, etc.	239,283
Run by Sprinkler cars	20,248
TOTAL	53,021,816

REVENUE CAR HOURS.

By Rapid Transit Passenger cars	893,657
By Surface Passenger cars	3,748,073
By Express cars, etc.	23,675
By Sprinkler cars	1,873
TOTAL	4,667,278

PASSENGERS CARRIED.

Revenue Passengers on Rapid Transit and Surface cars	348,664,700
--	-------------

G.

MILEAGE OF TRACK.

Total track owned by and leased from the West End St. Ry. Co., December 31, 1917	428.252 miles
Additions for extensions during the year	.767 "
TOTAL	429.019 "
Reduction for track taken up or transferred during the year	3.557 "
NET LENGTH OF TRACK OWNED BY AND LEASED FROM THE WEST END ST. RY. CO., DEC. 31, 1918	425.462 "
Leased from other companies	39.622 "
Operated under trackage privileges	3.708 "
Surface track on B. E. Ry. Co. property	22.789 "
Total track for Surface cars	491.581 "
Total track for Rapid Transit cars	43.281 "
TOTAL TRACK, Dec. 31, 1918	534.862 "

Which is made up as follows:

	For Surface Cars.	For Rapid Transit Cars.
Length of main lines	232.171 miles	16.804 miles
Length of second track	197.743 "	16.580 "
Length of sidings, carhouse curves, cross-overs, etc.	11.137 "	2.951 "
Length of track in carhouses and yards	50.530 "	6.946 "
TOTALS	491.581 "	43.281 "

The total length of surface track in reservations is	45.18 "
The total length of surface track built with heavy girder rail is	452.057 "

G.

DECEMBER 31, 1918.

The total length of track in subways and tunnels used
for surface cars is as follows:

Tremont Subway	5.400 miles
East Boston Tunnel & Extension .	3.782 "
Boylston Subway	3.016 "

Total Length of Track in Sub-
ways used for surface cars is 12.198 miles

The total length of track in subways and tunnels used
for rapid transit trains is as follows:

Washington Tunnel	2.326 miles
Cambridge-Dorchester Tunnel	
Cambridge Subway proper and incline to bridge	4.743 miles
Cambridge Bridge and El- evated Connection	1.029 "
Cambridge Connection (Bea- con Tunnel)	.965 "
Dorchester Tunnel	4.628 11.365 "

Total Length of Track in
Subways and Tunnels
used for Rapid Transit
Trains is 13.691 miles

The total length of track in all Subways and Tunnels is	25.889 miles
The total length of surface track in the Cambridge Subway is	.723 "
The total length of surface track in the Dorchester Tunnel and at Andrew Station is	.635 "
The total length of track on the East Cambridge Via- duct and connection is	2.678 "

H. EQUIPMENT.

PASSENGER CARS—SURFACE LINES.

Type of Car.	Number Owned.	Brake Equipmt.	Truck Equipmt.	Control Equipmt.	Seating Capacity.
Semi-Convertible-Prepayment Type:					
#1 Type 32-Ft.	40	Air	Double	G.E.M. Type	48
#2 Type 33-1/4-Ft.	37	"	"	G.E. Auto	52
#3 Type 33-1/4-Ft.	91	"	"	G.E. Auto	52
#4 Type 34-1/3-Ft.	50	"	"	West. H. L.	52
#4-A Type 34-1/3-Ft.	50	"	"	West. H. L.	52
#4-A2 Type 34-1/3-Ft.	75	"	"	G.E.M.	52
#4-A3 Type 34-1/3-Ft.	100	"	"	West. H. L.	52
Spec. Type 34-1/3-Ft.	10	"	"	G.E. Auto	52
Total Semi-Convertible	453				
Centre Entrance-Prepayment-Motor Cars					
Centre Entrance-Prepayment-Trailer Cars	100	"	"	G.E.-d. c. 5	58
Safety Type, 1 man, Prepayment	174	"	"	None	62
Articulated-Prepayment:	1	"	Single	K-10-Q	30
Double-20-Ft. Type	69	"	Double	K	52
Double-25-Ft. Type	99	"	Quadruple	K	68
Total Articulated	168				
Box Cars:					
28-Ft.	2	Hand	Double	K	38
26-1/2-Ft. (14 are Prepayment)	60	Air	"	K	36
25-Ft.	924	Hand	"	K	34
24-Ft. (Parlor)	1	Air	"	M	chairs
20-Ft.	66	Hand	Single	K	26
20-Ft. (Parlor)	1	Hand	"	K	chairs
16-Ft. (Parlor)	1	Hand	"	K	"
16-Ft.	1	Hand	"	K	20
Total Box Cars	1,056				

H.

DECEMBER 31, 1918.

PASSENGER CARS—SURFACE LINES (Continued).

Type of Car.	Number Owned.	Brake Equipt.	Truck Equipt.	Control Equipt.	Seating Capacity.
Open Cars:					
12-Bench	179	Hand	Double	K	60
10-Bench	41	"	"	K	50
9-Bench	717	"	Single	K and Rheo.	45
8-Bench	390	"	"	Rheostat	40
Total Open Cars	1,327				

TOTAL SURFACE PASSENGER CARS

1,327

PASSENGER CARS—RAPID TRANSIT LINES.

Type of Car.	Number Owned.	Brake Equipt.	Truck Equipt.	Control Equipt.	Seating Capacity.
Elevated Cars:					
Wood and Steel (4 end and 2 side doors)	168	Air	Double	G.E. Auto	48
All Steel	162	"	"	"	48
Total Elevated	330				
Cambridge-Dorchester Tunnel (6 side doors)	60	"	"	West, A. L.	72
TOTAL RAPID TRANSIT LINES	390				
TOTAL PASSENGER CARS OWNED	3,669				

OTHER EQUIPMENT.

Newspaper Car	1	Snow Removers, Horse	.	.	10
Mail Cars, Surface	9	Snow Plows, Horse	.	.	23
Service Cars (163 Surface, 24 Rapid Transit)	187	Snow Sleds	.	.	620
Snow Plows, Electric	218	Miscellaneous Vehicles	.	.	465
Snow Sweepers, Electric	9	Horses	.	.	204
Electric Shovel	1		.	.	
All Electric Car Motors (823 rapid transit, 6,786 surface)					7,609

I.

SUMMARY OF STOCKHOLDERS OF RECORD.

DECEMBER 31, 1918.

State.	COMMON.		PREFERRED.	
	No. Stockholders.	Shares.	No. Stockholders.	Shares.
Massachusetts . . .	5,449 . .	212,435 . .	3,198 . .	27,561
OTHER STATES.				
Maine	86 . .	3,263 . .	43 . .	349
New Hampshire . . .	157 . .	3,188 . .	83 . .	308
Vermont	24 . .	285 . .	16 . .	36
Rhode Island . . .	47 . .	1,511 . .	22 . .	159
Connecticut	77 . .	2,731 . .	36 . .	333
New York	169 . .	8,092 . .	63 . .	832
New Jersey	13 . .	181 . .	2 . .	9
Pennsylvania	44 . .	1,131 . .	15 . .	54
Maryland	4 . .	63 . .	1 . .	8
District of Columbia .	21 . .	974 . .	10 . .	63
Virginia	3 . .	70 . .	3 . .	12
West Virginia	2 . .	8 . .		
Georgia	3 . .	49 . .	1 . .	7
Florida	8 . .	300 . .	2 . .	9
Louisiana	1 . .	1 . .		
Ohio	12 . .	303 . .	3 . .	12
Indiana	4 . .	237 . .	1 . .	6
Tennessee	2 . .	11 . .	1 . .	1
Iowa	1 . .	2 . .		
Illinois	27 . .	353 . .	2 . .	19
Wisconsin	5 . .	207 . .	1 . .	13
Michigan	7 . .	214 . .	4 . .	13
Missouri	5 . .	170 . .	3 . .	18
Colorado	6 . .	553 . .	2 . .	4
Washington	4 . .	28 . .	1 . .	1
California	28 . .	962 . .	12 . .	97
Minnesota	6 . .	62 . .	1 . .	4
Oklahoma	2 . .	15 . .		
South Dakota	1 . .	50 . .		
Delaware	1 . .	10 . .		
Alabama	2 . .	22 . .		
South Carolina	1 . .	10 . .		
North Carolina	3 . .	33 . .		
Kentucky	1 . .	10 . .		
Montana	1 . .	2 . .		
Nevada	1 . .	36 . .	1 . .	5
New Mexico	1 . .	10 . .		
Alaska	1 . .	12 . .		
Hawaii	1 . .	5 . .		
	782 . .	25,164 . .	329 . .	2,372
Cuba	1 . .	25 . .	0 . .	0

I.

BRITISH PROVINCES.

Province.	COMMON.		PREFERRED.	
	No. Stockholders.	Shares.	No. Stockholders.	Shares.
Quebec	9 . .	431	5 . .	54
Ontario	1 . .	6		
New Brunswick . .	2 . .	13	1 . .	1
Nova Scotia . . .	3 . .	42	2 . .	12
British Columbia .	1 . .	8		
Saskatchewan . .	1 . .	15		
	<u>17</u>	<u>515</u>	<u>8</u>	<u>67</u>

EUROPEAN COUNTRIES.

Denmark	1 . .	30		
Scotland	1 . .	10		
Ireland	1 . .	5		
France	6 . .	575		
Italy	2 . .	13		
	<u>11</u>	<u>633</u>		

CENTRAL AMERICA.

Nicaragua	1 . .	12		
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ASIA.

Siam	1 . .	10		
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RECAPITULATION.

Massachusetts . .	5,449 . .	212,435	3,198 . .	27,561
Other States . .	782 . .	25,164	329 . .	2,372
Cuba	1 . .	25		
British Provinces .	17 . .	515	8 . .	67
European Countries .	11 . .	633		
Central America . .	1 . .	12		
Asiatic Countries .	1 . .	10		
	<u>6,262</u>	<u>238,794</u>	<u>3,535</u>	<u>30,000</u>

CONSOLIDATED
BOSTON ELEVATED RAILWAY COMPANY
AS OF

(Prepared by Price)

ASSETS.

INVESTMENTS:

Road and equipment		\$97,044,885.90
Additions and betterments to West End Street Railway Company's lines made by Boston Elevated Railway Company (June, 1917, to December, 1918)		425,542.52
Miscellaneous physical property (Purchased from West End Street Railway Company, under Chap. 940, Acts of 1911)		946,025.57
Investments in affiliated companies:		
Stocks	\$201,509.72	
Advances	102,852.11	304,361.83
Other investments:		
Stocks and notes	\$135,351.00	
Advances for additions and betterments	61,393.36	196,744.36
TOTAL INVESTMENTS		\$98,917,560.18

CURRENT ASSETS:

Cash	\$934,586.82	
Special deposits:		
Deposits of cash to pay interest and dividends	1,009,525.00	
Balance of fund provided under legislative enactment of 1918 to meet deficiencies in income	510,000.00	
Notes receivable	5,326.75	
Accounts receivable	297,587.13	
Materials and supplies	3,253,823.69	
Interest, dividends, and rents receivable	13,725.50	
Other current assets	15,309.09	6,039,883.98

DEFERRED ASSETS: (Invested Funds)

Boston Elevated Railway Company, Trustee, original principal of trust fund under Chap. 740 of Legislative Acts of 1911	\$1,500,000.00	
Investments held for insurance, injuries and damage reserves	835,750.00	2,335,750.00

DEFERRED CHARGES AND UNADJUSTED DEBITS:

Insurance premiums paid in advance	\$68,819.87	
Prepaid interest on notes payable	77,760.66	
Payments made contractors, etc., undistributed	63,478.92	210,059.45

TOTAL ASSETS		<u>\$107,503,253.61</u>
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BALANCE SHEET

AND WEST END STREET RAILWAY COMPANY

DECEMBER 31, 1918

(Waterhouse & Co., Accountants.)

LIABILITIES.

CAPITAL STOCK:

Boston Elevated Railway Company:

*Preferred 7% cumulative	\$3,000,000.00	
Common	23,879,400.00	\$26,879,400.00

West End Street Railway Company:

Preferred 8% cumulative	\$6,400,000.00	
Common	14,029,850.00	20,429,850.00

Premium on common stock		4,939,905.15
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TOTAL STOCK		\$52,249,155.15
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LONG-TERM DEBT:

Funded debt unmatured:

Boston Elevated Railway Company	\$26,586,000.00	
West End Street Railway Company	20,416,000.00	
Mortgage note due July 2, 1920	125,000.00	47,127,000.00

CURRENT LIABILITIES:

Loans and notes payable	\$5,143,100.00	
Audited accounts and wages payable	1,755,923.95	
Matured interest, dividends and rents unpaid	1,004,730.50	
Matured funded debt unpaid	6,000.00	
Accrued interest and rents payable	831,507.00	8,741,261.45

DEFERRED LIABILITIES:

UNADJUSTED CREDITS:

Tax liability	\$333,588.07	
Premium on funded debt (net)	85,971.62	
Insurance reserve	44,172.40	
Operating reserves for injuries and damages	933,762.84	
Accrued depreciation—road and equipment	1,506,299.56	
Other unadjusted liabilities	233,818.65	3,137,613.14

TOTAL LIABILITIES		\$111,278,560.37
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Deduct:

DEFICIT:

West End Street Railway Company:

Balance at December 31, 1918, after adjusting inter-company balances	\$628,941.22
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Boston Elevated Railway Company:

Balance at June 30, 1918	72,898.63
Balance for 6 months ending December 31, 1918	3,073,466.91

\$107,503,253.61

*NOTE.—These shares, par value \$3,000,000.00, are subject to first and second preferred stock aggregating \$20,429,850.00 to be issued by the Boston Elevated Railway Company upon the merger with the West End Street Railway Company in June, 1922.



SECOND REPORT
OF THE
TRUSTEES OF THE
BOSTON ELEVATED RAILWAY
COMPANY

(For the Year ending December 31st)

1919

SECOND REPORT
OF THE
TRUSTEES OF THE
BOSTON ELEVATED RAILWAY
COMPANY

(For the Year ending December 31st)

1919

Board of Trustees

(Appointed by the Governor of Massachusetts, pursuant to Chapter 159 of the
Special Acts of 1918.)

JAMES F. JACKSON,
Chairman.

WINTHROP COFFIN

SAMUEL L. POWERS

STANLEY R. MILLER,
Secretary.

JOHN F. STEVENS

Officers of the Corporation

(Appointed by the Trustees.)

HENRY L. WILSON *Treasurer*

CHARLES B. GLEASON *Clerk*

Operating Departments

EDWARD DANA *General Manager*
H. BERTRAM POTTER *Asst. General Manager*
EDWARD MAHLER *Purchasing Agent*
CLARENCE E. LEARNED *Supt. of Inspection*
JAMES SMITH *Supt. of Transportation*
FREDERICK S. FREEMAN *Supt. of Power*
JOHN LINDALL *Supt. of Rolling Stock and Shops*
HARRY M. STEWARD *Supt. of Maintenance*

Other Departments

JOHN H. MORAN *General Auditor*

LAW DEPARTMENT

H. WARE BARNUM *General Counsel*
RUSSELL A. SEARS *General Claims Attorney*
CHARLES B. GLEASON *Attorney*
DANIEL L. PRENDERGAST *Real Estate Agent*

Directors

MATTHEW C. BRUSH, *Chairman*.

WILLIAM A. BANCROFT.

JOHN J. BRIGHT.

SAMUEL CARR.

CHARLES S. DAVIS.

SYDNEY HARWOOD.

HENRY S. LYONS.

JAMES M. PRENDERGAST.

FRANK W. REMICK.

JAMES L. RICHARDS.

ROBERT WINSOR.

REPORT OF THE BOARD OF TRUSTEES.

The trustees of the Boston Elevated Railway Company respectfully submit their second annual report covering a full yearly period.

In view of recent public discussion and the comprehensive report of the Street Railway Commission with reference to the conditions and needs of this railway, it has seemed appropriate that the preliminary general statement be brief.

The public control act (chapter 159 of the Special Acts of 1918) expressly imposed upon the trustees two distinct duties. The first was that of establishing the service upon a self-supporting basis. Under private management the 5-cent fare had utterly failed to produce sufficient revenue to pay operating expenses and fixed charges. In consequence the railway property which came into the hands of the trustees was in many departments much the worse for lack of maintenance and in a condition unfit for efficient operation.

Successive changes in fare were made to obtain receipts that would meet expenses. In August, 1918, the 5-cent fare was changed to a 7-cent fare, which in December, 1918, gave way to an 8-cent fare. The receipts from the 8-cent fare, after a trial of seven months, also proved inadequate, so that the results of operation for the year ending on the 30th of June, 1919, showed a total deficit of \$4,980,151.67. In accordance with the terms of the statute this amount was provided for by applying the \$1,000,-

ooo reserve fund and assessing upon the cities and towns served by the railway company the balance as required by the provisions of the public control act, the transaction in effect being a loan that must be repaid and not a permanent contribution to the cost of the service. The deficit of that year had really exceeded the amount named and paid by \$435,348.46, which additional loss resulted from the retroactive character of the wage award in July adding this sum to the wages which had been paid in May and June. On the tenth of July, 1919, the fare was made 10 cents. Owing to strikes and other extraordinary conditions operating losses continued until the middle of September, since which time the 10-cent fare has produced revenue in excess of expenditures. This surplus on the thirty-first of December, 1919, had reduced the deficits incurred in July, August and September, aggregating \$928,694.85, to \$459,007.54. **including the back pay.**

In forecasting the amount of excess in revenue over expenditures for the balance of the year allowance must be made for the favorable traffic conditions that always prevail in October, November and December. However, the trustees believe that receipts will continue to exceed expenditures, and that on the thirtieth of June, 1920, all losses will have been absorbed and no deficit exist to be assessed upon cities and towns. This statement is subject, of course, to the happening of events not reasonably to be anticipated. As the law now stands there can be no lower fare until the cities and towns have been reimbursed for the amounts paid to meet past deficits and the reserve fund of \$1,000,000 has been restored.

The second duty imposed upon the trustees was that of bringing the railway to a condition suitable for efficient operation. With insufficient receipts to meet expenses, and without capital

available for permanent additions and improvements, the task of bettering the service has been difficult. However, a beginning has been made under a program of improvement which can be completed only in a series of years. The changes thus far made are featured in the purchase of modern cars, in replacement and addition to former equipment, the completion of certain through lines, the lengthening of tunnel trains, with introduction of two and three car trains on surface lines, larger and more frequent rapid transit service. In the budget of the coming year improvements have been authorized that will cost approximately \$5,700,000. What is of the utmost importance, full provision is now being made for maintenance and depreciation.

The sale of the Cambridge subway, authorized at the recent special session of the Legislature, when carried into effect will make available for capital expenditures \$7,868,000. It goes without saying that a business-like administration is as essential to success in the conduct of a public service as it is in the conduct of private affairs. Therefore none but a prudent use of the proceeds of this sale, which for the time being afford the only source of capital, could be justified. Such use will secure important improvements with resulting economies and tend to re-establish the credit so vital to the development of railway facilities.

The trustees reiterate their belief that car riders ought not to be subject to a special tax for using public highways either through payment of subway rentals or assessment for street improvements. The Street Railway Commission recommended changes in the law to relieve them from this burden. The question is between the car rider and the taxpayer, and is one for legislative decision in determining what is a proper service at cost.

A summary of business for the year, is as follows:

Gross revenue from operation		\$29,404,591.59	
Operating expenses		23,700,339.41	
Net revenue railway operations		\$5,704,252.18	
Income from lease of road	\$823.40		
Dividend income	9,180.00		
Income from funded securities	6,289.50		
Income from unfunded securities and accounts	42,853.06		
Income from sinking fund and other reserves	33,280.00		
Miscellaneous income	1,565.27		93,991.23
			\$5,798,243.41
Tremont Subway rental	\$195,507.56		
Less			
Amount charged Eastern			
Mass. St. Ry. Co	\$18,900.85		
Amount charged the Wil-			
bur Theatre	61.60	18,962.45	
		\$176,545.11	
Interest on funded debt of West End St. Ry. Co.	\$997,954.99		
Dividend rental on preferred stock of West End St. Ry. Co., 8% per annum	512,000.00		
Dividend rental on common stock of West End St. Ry. Co., 7% per annum	982,089.50		
Interest on notes payable	40,348.45		
Organization expenses of West End St. Ry. Co.	8,500.00		
Dividend on stock of Somerville Horse R. R. Co.	9,180.00		
Taxes on West End St. Ry. Co.	636,283.32		
Taxes on Somerville Horse R. R.	3,831.33		
Rent of property of Eastern Mass. St. Ry. Co.	42,526.17		
Rent of Newtonville & Watertown St. Ry.	6,087.82		
Total accruals on account of leased railways			3,415,346.69
Amount carried forward			\$2,382,896.72

<i>Amount brought forward</i>		\$2,382,896.72
Interest on funded debt	\$1,309,477.08	
Interest on unfunded debt	246,312.98	
Corporate franchise and real estate taxes	389,508.87	
Federal capital stock taxes	9,088.50	
Federal and Mass. income taxes . .	6,480.84	
Miscellaneous tax items	309.50	
Washington Tunnel rental	356,640.24	
East Boston Tunnel rental	107,878.11	
East Boston Tunnel Extension rental .	100,809.74	
Cambridge Connection rental	71,124.68	
Boylston Subway rental	229,189.99	
Dorchester Tunnel rental	473,859.14	
Miscellaneous debits	8,070.37	
Amortization of discount on funded debt	44,290.46	
Net loss on Miscellaneous Physical Property	7,986.10	3,361,026.60
Deficit for the year		<u>\$978,129.88</u>

Volume of business for the year:

Total revenue passengers carried	324,758,685
Decrease as compared with the corresponding year .	23,906,015
Or a decrease of about	6.86%

We annex a full statement of the condition of the company for the year ending December 31, 1919, compiled by our General Auditor, Mr. John H. Moran.

Appended is a copy of a certificate from Patterson, Teele & Dennis, Accountants, certifying to the correctness of the General Balance Sheet, Income Statement and Profit and Loss Account.

JAMES F. JACKSON, Chairman,
 WINTHROP COFFIN,
 STANLEY R. MILLER,
 SAMUEL L. POWERS,
 JOHN F. STEVENS,
Trustees.

Jan. 31, 1920.

Boston, March 19, 1920.

MR. JAMES F. JACKSON, <i>Chairman,</i>	} <i>Trustees,</i>
MR. WINTHROP COFFIN,	
MR. STANLEY R. MILLER,	
MR. SAMUEL L. POWERS,	
MR. JOHN F. STEVENS,	
	<i>Boston Elevated</i>
	<i>Railway Company,</i>
	<i>Boston, Mass.</i>

SIRS:

We have examined the accounts of the Boston Elevated Railway Company for the year ending December 31, 1919, and we report upon the Company's financial statements for the year, presented herewith, as follows:

Road and Equipment are shown at book values without adequate provision for depreciation prior to June 30, 1918, but, in our opinion, the depreciation provided for the year under review, in pursuance of the plan for depreciation reserves thereafter adopted by the Trustees, is adequate.

The securities owned by the Company were produced for our inspection and are carried at cost values which, in some cases, exceed the market values. We have verified the current assets as shown by the books, and have satisfied ourselves that the liabilities are correctly stated.

WE HEREBY CERTIFY that, subject to the foregoing comments, the accompanying Balance Sheet is in accordance with the books and correctly states the financial condition of the Boston Elevated Railway Company at December 31, 1919; and that the operating results for the year 1919 are fairly presented in the accompanying Income and Profit and Loss Statements.

Respectfully submitted,

PATTERSON, TEELE AND DENNIS,
Accountants and Auditors.

GENERAL AUDITOR'S REPORT.

BOSTON, MARCH 15, 1920.

TO THE BOARD OF TRUSTEES OF THE BOSTON ELEVATED RAILWAY
COMPANY:

Gentlemen,—I herewith submit the following statements of the
business of the Company for the year ending December 31, 1919:

- A. GENERAL BALANCE SHEET.
- B. INCOME STATEMENT.
- C. PROFIT AND LOSS ACCOUNT.
- D. STATEMENT OF THE SPECIAL TRUST FUND.
- E. TRAFFIC STATISTICS.
- F. MILEAGE OF TRACK.
- G. EQUIPMENT.
- H. SUMMARY OF STOCKHOLDERS.

Yours respectfully,

JOHN H. MORAN,
General Auditor.

A. GENERAL BALANCE SHEET.

ASSETS

INVESTMENTS:

Road and equipment at Jan. 1, 1919	\$56,034,987.37
Additions and betterments during the year ending Dec. 31, 1919 .	968,870.14

Total	\$57,003,857.51
Miscellaneous physical property (purchased from the West End St. Ry. Co. under Chap. 940, Acts 1911)	922,880.16
Investments in affiliated companies:	
Stocks	201,509.72
Advances:	
West End St. Ry. Co.:	
Road and equipment ac- counts	\$3,104,020.95
Current account	884,336.34
Other companies—Road and equipment	102,852.11

Total	4,091,209.40
Other investments:	
Stocks	2,501.00
Notes	108,150.00
Advances	91,643.11

Total investments	\$62,421,750.90
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CURRENT ASSETS:

Cash	\$1,956,935.89
Deposits for interest, dividends and rents unpaid	753,283.04
Loans and notes receivable	155.65
Miscellaneous accounts receivable	343,674.96
Material and supplies	2,892,779.42
Interest, dividends and rents re- ceivable	17,316.38
Other current assets	41,705.33

Total current assets	6,005,850.67
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DEFERRED ASSETS:

Insurance and other funds	\$806,976.67
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Total deferred assets	806,976.67
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UNADJUSTED DEBITS:

Rents and insurance premiums paid in advance	\$321,528.77
Discount on funded debt	358,048.22
Other unadjusted debits	233,924.93
Cost of service deficit for 12 months ending June 30, 1919, as provided for by Reserve Fund, Chap. 159, Acts of 1918	1,000,000.00
Cost of service deficit for 12 months ending June 30, 1919, as provided for by Com. of Mass., Chap. 159, Acts of 1918	3,980,151.67

Total unadjusted debits	5,893,653.59
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GRAND TOTAL	<u>\$75,128,231.83</u>
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A.

DECEMBER 31, 1919.

LIABILITIES.	
Capital stock (common) . . .	\$23,879,400.00
Capital stock (preferred) . . .	3,000,000.00
Premium on capital stock . . .	2,707,428.13
Total stock . . .	\$29,586,828.13
LONG-TERM DEBT	
Funded debt unmatured . . .	\$29,586,000.00
Mortgage note . . .	125,000.00
Non-negotiable debt to affiliated companies:	
Open account (West End St. Ry. Co.) . . .	1,214,948.88
Total long-term debt . . .	30,925,948.88
CURRENT LIABILITIES:	
Loans and notes payable . . .	\$3,908,842.75
Audited accounts and wages payable . . .	2,211,876.65
Matured interest, dividends, and rents unpaid . . .	754,488.54
Accrued interest, dividends, and rents payable . . .	890,516.54
Total current liabilities . . .	7,765,724.48
DEFERRED LIABILITIES:	
Other deferred liabilities . . .	36,491.33
Total deferred liabilities . . .	36,491.33
UNADJUSTED CREDITS:	
Tax liability . . .	\$333,411.63
Insurance reserve . . .	42,811.29
Operating reserve—for injuries and damages . . .	1,009,563.20
Accrued depreciation, road and equipment . . .	1,842,576.61
Other unadjusted credits . . .	120,515.41
Amount advanced by Comm. of Mass. under Chap. 159, Acts of 1918, acct. deficit in cost of service for 12 mos. ending June 30, 1919 . . .	3,980,151.67
Total unadjusted credits . . .	7,329,029.81
Total . . .	\$75,644,022.63
CORPORATE SURPLUS:	
Profit and loss—balance (debit) . . .	515,790.80
Total corporate surplus (debit) . . .	515,790.80
GRAND TOTAL . . .	\$75,128,231.83

B.

INCOME STATEMENT.

OPERATING INCOME:

Railway operating revenues:

Revenue from transportation:

Passenger revenue	\$28,752,675.38
Parlor and special car revenue	14,868.73
Mail revenue	722.24
Express revenue	89,002.98
Miscellaneous transportation revenue	<u>3,001.85</u>

Total revenue from transportation \$28,860,271.18

Revenue from other railway operations:

Station and car privileges	\$293,871.62
Rent of tracks and facilities	41,477.20
Rent of equipment	5,209.45
Rent of buildings and other property	82,514.36
Power	46,349.33
Miscellaneous	<u>74,898.45</u>

Total revenue from other railway operations 544,320.41

Total railway operating revenues \$29,404,591.59

RAILWAY OPERATING EXPENSES:

For maintenance of way and structures	\$3,783,715.35
For maintenance of equipment	4,290,039.81
For power	2,980,658.59
For conducting transportation	10,530,882.29
For traffic	4,758.03
For general and miscellaneous	<u>2,110,285.34</u>

Total operating expenses 23,700,339.41

Net revenue—Railway operations \$5,704,252.18

TAXES ASSIGNABLE TO RAILWAY OPERATIONS 1,045,502.36

Total operating income \$4,658,749.82

Amount carried forward \$4,658,749.82

B.

YEAR ENDING DECEMBER 31, 1919.

<i>Amount brought forward</i>						\$4,658,749.82
NON-OPERATING INCOME:						
Income from lease of road	.	.				\$823.40
Dividend income	.	.	.	.		9,180.00
Income from funded securities	.					6,289.50
Income from unfunded securities and accounts	.	.	.	.	.	42,853.06
Income from sinking fund and other reserves	.	.	.	.	.	33,280.00
Miscellaneous income	.	.	.			1,565.27
Total non-operating income						93,991.23
Gross income						\$4,752,741.05
DEDUCTIONS FROM GROSS INCOME:						
*Rent for leased roads	.	.	.			\$2,775,232.04
†Miscellaneous rents	.	.	.	.		1,339,501.90
Net loss on miscellaneous physical property for year. (Purchased from W. E. St. Ry. Co. under Chap. 940, Acts 1911)	.	.	.			7,986.10
Interest on funded debt	.	.	.			1,309,477.08
Interest on unfunded debt	.	.				246,312.98
Amortization of discount on funded debt	.	.	.	.	.	44,290.46
Miscellaneous debits	.	.	.	.		8,070.37
Total deductions from gross income						\$5,730,870.93
NET LOSS TRANSFERRED TO DEBIT OF PROFIT AND LOSS						<u><u>\$978,129.88</u></u>

*Includes rent for Tremont Subway, \$176,545.11.

† Rents for all other subways and tunnels.

C.

PROFIT AND LOSS ACCOUNTS.

APPLYING TO OPERATIONS TO JUNE 30, 1918

DEBIT

To debit balance at beginning of year		\$72,898.63
To uncollectable accounts — cancelled	\$3,478.22	
To uncollectable balance due on note—cancelled	4,822.10	
To charge off value of part of the original installation of track removed from East Boston tunnel	3,217.64	
To legal services in connection with suit arising out of collision of S/S "Everett"	2,000.00	
To charge off difference between the estimated value placed upon scrap and the amount actually received in the disposition of equipment of Somerville and Medford Gas Engine Stations	9,097.97	22,615.93
TOTAL		<u><u>\$95,514.56</u></u>

CREDIT

By refund in settlement of our claim of 1914 U. S. Excess Income Tax	\$1,545.73	
By amount recovered for loss of services of S/S "Everett" resulting from collision	25,000.00	
By amount recovered as compensation for operation of Squantum service for period Jan. 1 to June 30, 1918	12,185.57	38,731.30
By debit balance		56,783.26
TOTAL		<u><u>\$95,514.56</u></u>

C.

YEAR ENDING DECEMBER 31, 1919.

APPLYING TO OPERATIONS SINCE JUNE 30, 1918

DEBIT		
To debit balance at beginning of year		\$3,073,466.91
To debit balance transferred from Income Account		978,129.88
To dividends on Preferred Stock:		
\$3.50 per share on 30,000 shares, paid July 1, 1919	\$105,000.00	
\$3.50 per share on 30,000 shares, paid Jan. 1, 1920	105,000.00	
To dividends on Common Stock:		
\$1.25 per share on 238,794 shares, paid April 1, 1919	298,492.50	
\$1.25 per share on 238,794 shares, paid July 1, 1919	298,492.50	
\$1.25 per share on 238,794 shares, paid Oct. 1, 1919	298,492.50	
\$1.25 per share on 238,794 shares, paid Jan. 2, 1920	298,492.50	1,403,970.00
To cancellation of sundry bills in ad- justment of charge for heating Harvard College Dormitories for period Sept., 1918, to June, 1919	\$37,223.17 1,277.76	38,500.93
To uncollectable accounts—cancelled		
TOTAL		<u><u>\$5,494,067.72</u></u>

CREDIT		
By amount recovered as compensation for operation of Squantum service for period July 1, 1918, to Dec. 31, 1918		\$24,465.34
By amount received in adjustment of charge for heating Harvard College Dormitories for period July, 1918, to June, 1919	\$23,829.77	
By amount transferred from Reserve for Back Pay under National War Labor Board Award of 1918	6,613.40	30,443.17
By cost of Service Deficit for 12 months ending June 30, 1919, as provided for by Reserve Fund, Chap. 159, Acts of 1918		1,000,000.00
By cost of Service Deficit for 12 months ending June 30, 1919, as provided for by Comm. of Mass., Chap. 159, Acts of 1918		3,980,151.67
By debit balance		459,007.54
TOTAL		<u><u>\$5,494,067.72</u></u>

SUMMARY OF PROFIT AND LOSS ACCOUNTS

For operations to June 30, 1918 (<i>debit balance</i>)	\$56,783.26
For operations since June 30, 1918 (<i>debit balance</i>)	459,007.54
TOTAL (<i>debit</i>) December 31, 1919	<u><u>\$515,790.80</u></u>

D.

BOSTON ELEVATED RAILWAY COMPANY, TRUSTEE.

STATEMENT OF SPECIAL TRUST FUND

DECEMBER 31, 1919

Principal of Trust Fund as established	\$1,500,000.00
Accretions and accumulations of income to December 31, 1919	474,226.17
TOTAL	<u>\$1,974,226.17</u>
Investment in marketable securities and real estate .	\$1,901,827.28
Cash	72,398.89
TOTAL	<u>\$1,974,226.17</u>

The above Trust Fund is held by the Boston Elevated Railway Company under Chapter 740, Acts of 1911, "An Act to authorize the consolidation of properties and franchises of the Boston Elevated Railway Company and the West End Street Railway Company," and represents the proceeds from the sale to the Boston Elevated Railway Company of real estate of the West End St. Ry. Company, which was not required in the conduct of the business. The amount so received (\$1,500,000) is to be held by the Boston Elevated Railway Company and invested by it and allowed to accumulate until the tenth day of June 1922, when the consolidation of the two companies is to take place. Thereafter, the annual income therefrom shall be applied toward the purchase and retirement of the second preferred stock of the Boston Elevated Company. No part of this fund or its income can be used for any other purpose.

E.

TRAFFIC STATISTICS.

YEAR ENDING DECEMBER 31, 1919

ROUND TRIPS

Run by Rapid Transit Passenger cars	1,226,099
Run by Surface Passenger cars	5,351,970
Run by Express cars, etc.	10,157
TOTAL	6,588,226

REVENUE MILES

Run by Rapid Transit Passenger cars	14,139,619
Run by Surface Passenger cars	39,393,903
Run by Express cars, etc.	175,020
Run by Sprinkler cars	12,707
TOTAL	53,721,249

REVENUE CAR HOURS

By Rapid Transit Passenger cars	978,591
By Surface Passenger cars	3,770,727
By Express cars, etc.	16,765
By Sprinkler cars	1,017
TOTAL	4,767,100

PASSENGERS CARRIED

Revenue Passengers on Rapid Transit and Surface cars	324,753,685
--	-------------

F.

MILEAGE OF TRACK.

Total track owned by and leased from the West End St. Ry. Co., December 31, 1918	425,462	miles
Additions for extensions during the year	2.085	"
TOTAL	<u>427,547</u>	"
Reduction for track taken up or transferred during the year	1.656	"
	<u></u>	
NET LENGTH OF TRACK OWNED BY AND LEASED FROM THE WEST END STREET RY. CO., Dec. 31, 1919 .		
Leased from other companies	425,891	"
Operated under trackage privileges	39.247	"
Surface track on B. E. Ry. Co. property	3.708	"
	<u>23.105</u>	"
Total track for Surface cars	491.951	"
Total track for Rapid Transit cars	43.375	"
	<u></u>	
TOTAL TRACK, Dec. 31, 1919	535.326	"

Which is made up as follows:

	For Surface Cars	For Rapid Transit Cars
Length of main lines	231.616 miles	16.804 miles
Length of second track	197.558 "	16.580 "
Length of sidings, car-house curves, cross-overs, etc.	10.913 "	3.045 "
Length of track in car-houses and yards	<u>51.864</u> "	<u>6.946</u> "
TOTALS	491.951 "	43.375 "

The total length of surface track in reservations is	45.18	"
The total length of surface track built with heavy girder rail is	452.933	"

F.

DECEMBER 31, 1919.

The total length of track in subways and tunnels used
for surface cars is as follows:

Tremont Subway	5.400 miles
East Boston Tunnel and Extension	3.782 "
Boylston Subway	3.016 "

Total Length of Track in Subways used for surface cars is 12.198 miles
The total length of track in subways and tunnels used
for rapid transit trains is as follows:

Washington Tunnel	2.326 miles
Cambridge-Dorchester Tunnel	
Cambridge Subway proper	
and incline to bridge	4.743 miles
Cambridge Bridge and El-	
evated Connection	1.029 "
Cambridge Connection (Bea-	
con Tunnel)	.965 "
Dorchester Tunnel	4.628 11.365 "

Total Length of Track in
Subways and Tunnels
used for Rapid Transit
Trains is 13.691 miles

The total length of track in all Subways and Tunnels is	25.889 miles
The total length of surface track in the Cambridge	
Subway is	.723 "
The total length of surface track in the Dorchester	
Tunnel and at Andrew Station is	.635 "
The total length of track on the East Cambridge Via-	
duct and connection is	2.678 "

G.

EQUIPMENT.

PASSENGER CARS—SURFACE LINES					
Type of Car.	Number Owned.	Brake Equipt.	Truck Equipt.	Control Equipt.	Seating Capacity
Semi-Convertible-Prepayment Type:					
# 1 Type 32-Ft.	40	Air	Double	G. E. M. Type	48
# 2 Type 33-1/4-Ft.	37	"	"	G. E. Auto	52
# 3 Type 33-1/4-Ft.	91	"	"	G. E. Auto	52
# 4 Type 34-1/3-Ft.	50	"	"	West. H. L.	52
# 4-A Type 34-1/3-Ft.	50	"	"	West. H. L.	52
# 4-A2 Type 34-1/3-Ft.	75	"	"	G. E. M.	52
# 4-A3 Type 34-1/3-Ft.	100	"	"	West. H. L.	52
Spec. Type 34-1/3-Ft.	10	"	"	G. E. Auto	52
Total Semi-Convertible	453				
Centre Entrance-Prepayment-Motor Cars	{ 200	"	"	G. E. P. C. 5	58
Centre Entrance-Prepayment Trailer Cars	{ 100	"	"	W. H. A-B-P-C	58
Safety Type, 1 man, Prepayment	224	"	"	None	62
Articulated-Prepayment:	1	"	Single	K-10-Q	30
Double-20-Ft. Type	68	"	Double	K	52
Double-25-Ft. Type	112	"	Quadruple	K	68
Total Articulated	180				
Box Cars:					
28-Ft.	2	Hand	Double	K	38
26-1/2 Ft. (14 are Prepayment)	60	Air	"	K	36
25-Ft.	843	Hand	"	K	34
24-Ft. (Parlor)	1	Air	"	M	chairs
20-Ft.	27	Hand	Single	K	26
20-Ft. (Parlor)	1	Hand	"	K	chairs
16-Ft. (Parlor)	1	Hand	"	K	"
Total Box Cars	935				

G.

DECEMBER 31, 1919.

PASSENGER CARS—SURFACE LINES (Continued)

Type of Car.	Number Owned.	Brake Equipt.	Truck Equipt.	Control Equipt.	Seating Capacity
Open Cars:					
12-Bench	177				60
9-Bench	352				45
		Hand	Double	K	
		"	Sing'e	K and Rheo.	
Total Open Cars	529				
TOTAL SURFACE PASSENGER CARS	2,622				

PASSENGER CARS—RAPID TRANSIT LINES

Type of Car.	Number Owned.	Brake Equipt.	Truck Equipt.	Control Equipt.	Seating Capacity
Elevated Cars:					
Wood and Steel (4 end and 2 side doors)	167	Air	Double	G.E. Auto	48
All Steel	162	"	"	"	48
Total Elevated	329				
Cambridge-Dorchester Tunnel (6 side doors)	95	"	"	West, A. L.	72
TOTAL RAPID TRANSIT LINES	424				
TOTAL PASSENGER CARS OWNED	3,046				

OTHER EQUIPMENT

Newspaper Car					
Service Cars (161 Surface, 24 Rapid Transit)	1	Snow Removers, Horse			11
Snow Plows, Electric	185	Snow Plows, Horse			23
Snow Sweepers, Electric	218	Snow Sleds			620
Electric Shovel	9	Miscellaneous Vehicles			421
All Electric Car Motors (884 rapid transit, 7,018 surface)	1	Horses			187
					7,902

H.

SUMMARY OF STOCKHOLDERS OF RECORD.

DECEMBER 31, 1919

State.	COMMON.		PREFERRED.	
	No. Stockholders.	Shares.	No. Stockholders.	Shares.
Massachusetts . . .	5,256 . .	213,676 . .	3,138 . .	27,319 . .
OTHER STATES				
Maine	87 . .	3,301 . .	41 . .	342 . .
New Hampshire . . .	151 . .	2,972 . .	83 . .	325 . .
Vermont	24 . .	302 . .	10 . .	29 . .
Rhode Island	46 . .	1,460 . .	26 . .	191 . .
Connecticut	67 . .	2,350 . .	30 . .	309 . .
New York	171 . .	7,626 . .	72 . .	863 . .
New Jersey	16 . .	213 . .	1 . .	7 . .
Pennsylvania	46 . .	1,040 . .	15 . .	66 . .
Maryland	4 . .	63 . .	1 . .	8 . .
District of Columbia.	21 . .	792 . .	10 . .	65 . .
Virginia	3 . .	70 . .	3 . .	12 . .
West Virginia	2 . .	8 . .		
Georgia	5 . .	62 . .	1 . .	7 . .
Florida	9 . .	305 . .	2 . .	12 . .
Louisiana	1 . .	1 . .		
Ohio	13 . .	369 . .	4 . .	62 . .
Indiana	2 . .	65 . .	1 . .	6 . .
Tennessee	2 . .	11 . .	1 . .	1 . .
Iowa	1 . .	2 . .	1 . .	30 . .
Illinois	24 . .	397 . .	4 . .	54 . .
Wisconsin	7 . .	118 . .	1 . .	13 . .
Michigan	7 . .	176 . .	5 . .	43 . .
Missouri	5 . .	160 . .	3 . .	18 . .
Colorado	4 . .	523 . .	1 . .	2 . .
Washington	7 . .	45 . .	1 . .	1 . .
California	33 . .	1,056 . .	15 . .	122 . .
Minnesota	7 . .	77 . .	1 . .	4 . .
Oklahoma	3 . .	25 . .		
South Dakota	1 . .	50 . .		
Delaware	2 . .	17 . .		
Alabama	2 . .	22 . .		
South Carolina	1 . .	10 . .		
North Carolina	3 . .	66 . .		
Kentucky	1 . .	10 . .		
Montana	1 . .	2 . .		
North Dakota	1 . .	10 . .		
Kansas			1 . .	2 . .
Arizona	1 . .	130 . .	1 . .	14 . .
Texas	3 . .	30 . .	1 . .	3 . .
	784 . .	23,936 . .	336 . .	2,611 . .
Cuba	1 . .	25 . .		
Mexico	1 . .	10 . .		
	2 . .	35 . .		

H.

BRITISH PROVINCES

Province	COMMON.		PREFERRED.	
	No. Stockholders.	Shares.	No. Stockholders.	Shares.
Quebec	8 . .	371	6 . .	55
Ontario	2 . .	26		
New Brunswick	2 . .	13		
Nova Scotia	3 . .	42	2 . .	12
British Columbia	2 . .	8		
Saskatchewan	1 . .	15		
Prince Edward Island	1 . .	5		
	<u>19</u>	<u>480</u>	<u>8</u>	<u>67</u>

EUROPEAN COUNTRIES

England	2 . .	10	2 . .	3
Denmark	1 . .	30		
Ireland	1 . .	5		
France	5 . .	525		
Italy	1 . .	10		
Belgium	1 . .	50		
	<u>11</u>	<u>630</u>	<u>2</u>	<u>3</u>

CENTRAL AMERICA

Nicaragua	1 . .	12
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ASIA

China	1 . .	25
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RECAPITULATION

Massachusetts	5,256 . .	213,676	3,138 . .	27,319
Other States	784 . .	23,936	336 . .	2,611
Cuba	1 . .	25		
Mexico	1 . .	10		
British Provinces	19 . .	480	8 . .	67
European Countries	11 . .	630	2 . .	3
Central America	1 . .	12		
Asiatic Countries	1 . .	25		
	<u>6,074</u>	<u>238,794</u>	<u>3,484</u>	<u>30,000</u>

THIRD REPORT
OF THE
TRUSTEES OF THE
BOSTON ELEVATED RAILWAY
COMPANY

(For the Year ending December 31st)

1920

THIRD REPORT
OF THE
TRUSTEES OF THE
BOSTON ELEVATED RAILWAY
COMPANY

(For the Year ending December 31st)

1920

Board of Trustees

(Appointed by the Governor of Massachusetts, pursuant to Chapter 159 of the
Special Acts of 1918.)

JAMES F. JACKSON,
Chairman.

WINTHROP COFFIN.

STANLEY R. MILLER,
Secretary.

SAMUEL L. POWERS.

JOHN F. STEVENS.

EDWARD DANA	<i>General Manager</i>
H. BERTRAM POTTER	<i>Asst. General Manager</i>
JAMES SMITH	<i>Supt. of Transportation</i>
JOHN LINDALL	<i>Supt. of Rolling Stock and Shops</i>
HARRY M. STEWARD	<i>Supt. of Maintenance</i>
FREDERICK S. FREEMAN	<i>Supt. of Power</i>
EDWARD MAHLER	<i>Purchasing Agent</i>
CLARENCE E. LEARNED	<i>Supt. of Inspection</i>

HENRY L. WILSON	<i>Treasurer</i>
CHARLES B. GLEASON	<i>Clerk of the Corporation</i>
JOHN H. MORAN	<i>General Auditor</i>
H. WARE BARNUM	<i>General Counsel</i>
RUSSELL A. SEARS	<i>General Claims Attorney</i>

Directors

MATTHEW C. BRUSH, *Chairman.*

WILLIAM A. BANCROFT.

(1) JOHN J. BRIGHT.

SAMUEL CARR.

(2) CHARLES S. DAVIS.

SYDNEY HARWOOD.

HENRY S. LYONS.

(3) JAMES M. PRENDERGAST.

FRANK W. REMICK.

JAMES L. RICHARDS.

ROBERT WINSOR.

(1) Died January 6, 1921.

(2) Died September 11, 1920.

(3) Died November 29, 1920.

REPORT OF THE BOARD OF TRUSTEES

The Trustees of the Boston Elevated Railway Company respectfully submit a report of the result of operation by the Company during the calendar year 1920.

FINANCIAL CONDITION.

The financial condition on December 31, 1920, and the results of operation during 1920 and the entire period of public control are set forth in statements appended to this report.

For the twelve months ending December 31, 1920, the cost of service exceeded receipts by \$346,951.84, while during the preceding twelve months the cost of service had exceeded receipts by \$2,366,494.45.

The second year of operation under public control closed on June 30, 1920. The revenue in that year exceeded the expense of operation by \$17,079.95. This surplus does not take into account the \$435,348.46 paid in October, 1919, under a retro-active wage award applicable to the previous May and June. This amount would have been included in the assessment in July, 1919, against the cities and towns served by the railway had it been known in season for that assessment. Should this item properly be included in the cost of service for the year ending on June 30, 1920, there would still have been no deficit for that year under the budget system which had been adopted in accordance with a practice approved by the Department of

Public Utilities. Under that system the total expenditure for the year for maintenance of way, structures and equipment is estimated at the beginning of the year and charged proportionately to each month. When actual expenditures in any month exceed the allotted amount the excess is carried in reserve account to be offset by the credit arising during any other month in which less than the allotted amount is expended. At the end of the fiscal year the accounts are adjusted and show actual expenditures. On June 30, 1920, in accordance with this procedure, \$418,343.98 had been charged to equalization and credited to operating expense. This amount, coupled with the surplus of \$17,079.95, would set off the item of \$435,348.46 for back wages, and leave a credit balance on June 30, 1920, of \$75.47.

Cost of service during the last six months of the year exceeded receipts by \$387,690.87, and did not permit absorption of the \$418,343.98 above referred to as charged to Equalization on June 30th. Therefore on December 31st after crediting the small credit balance of June 30th, there remained \$805,959.38, which it is confidently expected can be absorbed during the first six months of 1921.

OPERATING COSTS.

Operation in 1920 has faced extraordinary costs in abnormal expenses for removal of snow, advance in wages and higher prices of coal and materials. The abnormal snowfall of last winter cost more than the combined snowfalls of the preceding nine years. The direct expense attributable to removal of snow was \$600,000; the indirect cost of the storms from added expense in maintenance of equipment and from loss of revenue increased this amount to approximately \$1,000,000.

The wage agreement with the Carmen's Union expired on the first of May, and in the absence of agreement as to future wages the issue was left to arbitration. The employees were awarded an increase of $16\frac{2}{3}$ per cent. The present schedule is effective until July 1, 1921. Other agreements with craft organizations have expired, and have been renewed with some advance in wages.

The abnormal rise in price of coal has been most disturbing. The average cost of coal in 1919 at the power stations in Boston was \$5.90 a ton; in October, 1920, the average cost had risen to \$13.82 a ton; some coal has cost over \$20 a ton. The meaning of this is apparent when it is remembered that between 250,000 and 300,000 tons of coal are consumed each year. Fortunately, the decline in price now makes it sure that the cost for the next six months will be much less than it was in the past six months.

Steel, cement and other materials, too, have advanced in price. Lower prices have as yet affected transportation but little, but are bound to be felt in the near future. Meanwhile necessity has compelled the maintenance in stock of a reasonable amount of the material that is daily needed in operating the railway.

The item expended for taxes has been larger than that of the preceding year by about \$200,000.

RECEIPTS AND ECONOMIES.

To offset additional expenses there have been some increases in net revenue, in part from increased riding and in part from the inauguration of economies.

The growth of travel is shown in the following compilation of revenue passengers carried:

Year	Week Day Average	Saturday Average	Sunday Average	Holiday Average	Total for Year
1915 . .	992,283	1,140,046	685,726	846,860	352,469,586
1916 . .	1,050,038	1,218,749	718,804	832,962	373,577,908
1917 . .	1,073,943	1,249,588	728,847	857,902	381,017,338
1918 . .	985,384	1,147,809	658,902	775,634	348,664,700
1919 . .	934,918	1,078,635	596,182	706,429	324,758,685
1920 . .	960,737	1,072,319	591,063	703,634	335,526,561

It was inevitable that higher fares, though increasing revenue, would cut down riding. The record verifies this expectation, but shows no such reduction in the number of persons using street cars as to suggest that the railway is not fulfilling the purpose of its existence in furnishing a cheap method of transportation for the multitude of people.

The figures given in the table show not only the effect of a higher fare, but the effect of the rapid growth in the use of the automobile. It will be noted that while there were between ten and eleven million more passengers carried in 1920 than in 1919, there were 600,000 fewer passengers carried upon Saturdays, Sundays and holidays. The explanation is that upon the days last named the automobile is in more general use as a substitute for the street car. Even upon the days of ordinary business no one observing the multitude of automobiles that choke the streets leading to the business center of Boston in the morning and at night can fail to appreciate the serious nature of the competition between that form of transportation and the street railway.

Again, a substantial economy has resulted from the elimination without impairment of service of much unprofitable mileage, although increased accommodation has been provided where the traffic is heavy, and though 10,767,876 more passengers were carried in 1920 than in 1919, the mileage was less by 2,295,995 miles. The revenue per car mile was increased from 53.74 to 64.61 cents, and the number of revenue passengers per car mile from 6.066 to 6.548.

Though the arbitration award of last June advanced wages $16\frac{2}{3}$ per cent., a rearrangement of working hours and conditions was effected which benefited all concerned and secured a large saving in labor costs. All employees are guaranteed an eight-hour day. Men not having schedule runs are required to be available for duty during eight-hour periods, and to perform within their eight-hour periods such work as may be assigned to them.

An important factor contributing to the net increase in earnings was the operation of additional three-car trains and one-man cars.

The total number of employees on the pay rolls of the year as compared with the record of the previous year is shown in the following tabulation:

Week ending	1920	1919	Decrease
January 16	9,584	9,772	188
February 20	9,605	10,046	441
March 12	9,903	10,165	262
April 16	9,889	10,750	861
May 21	9,712	11,263	1,551
June 25	9,868	11,378	1,510
July 23	10,099	10,636	537
August 20	9,908	10,687	779
September 26	9,824	10,478	654
October 22	9,704	10,094	390
November 19	9,490	10,062	572
December 17	9,250	9,739	489

The high cost of coal has in a measure been offset by economies in use of power. Coasting recorders, a device to record the mileage covered while cars are operated without brakes and without power, have been introduced with good results. Previous to their installation this could only be estimated, and so estimated represented about 12 per cent. of the running time. The percentage where recorders have been installed shows that the average coasting today approximates 25 per cent. of the running time. It is estimated that when the entire system is so equipped an economy of more than \$100,000 a year will be secured. The following tabulation shows the quantity of coal burned in 1920 as compared with that burned in the previous year:

Date	1919 Tons	1920 Tons
January	28,020	33,874
February	24,990	26,045
March	26,440	24,838
April	24,396	21,073
May	22,778	17,999
June	20,775	16,426
July	18,088	16,693
August	20,817	16,617
September	20,609	17,226
October	23,886	18,953
November	26,131	22,955
December	30,740	25,386
Totals	287,670	258,085

The number of pounds of coal consumed to generate 1 kilowatt in 1920 was 2.346 as compared with 2.835 in 1919.

Motorization of emergency, wire and wrecking service has been completed during the year. Motor trucks have been assigned to the several departments to save time in handling material and supplies. The introduction of motors has made it possible to consolidate stables and to dispense with vehicles and horses at an estimated annual saving of \$85,000.

Reference to the economies which have been named cannot be made with propriety without recognition of the fact that they would have been impossible but for the ability and resourcefulness of our general manager, the fidelity of chiefs of departments, and the endeavors of the men who worked in co-operation with them in the effort to keep expenses within the limits of revenue. The value of this team work in the struggle to meet the mounting costs of operation has been appreciated by the trustees.

ACCIDENTS.

The total cost of injuries and damages settled for during the year was \$640,165.04, as compared with \$701,907.28 during the previous year. 9390 accidents of the six leading classes in connection with operation were reported during the year. The average for the preceding three years was 10,777.

IMPROVEMENTS IN SERVICE.

The stern necessity for practicing every economy which does not injure the service in order to prevent deficits to be met from general taxation has made it difficult, in some cases impossible, to carry out in full the improvements which had been planned for this year in connection with the five-year program for betterment of the service. Material progress, however, has been made, and certain features of it may be mentioned.

Seventeen miles of track have been reconstructed; 81 one-man cars of the most approved pattern have been purchased and put in commission; 105 additional center-entrance cars have been purchased and are to be delivered in 1921; 65 new steel cars have been bought to replace cars upon the elevated

structure, and are to arrive in the summer; four-car trains are now running through the rush hours in the Cambridge subway and Dorchester tunnel; a new car house and new lobby have been constructed at Fields Corner; three additional rotary converters have been bought for the equipment of substations connected with the power plant; a substantial number of machines for efficiency in maintenance of track and equipment have been purchased; and large preliminary expenditures have been made for the extension of yard facilities at Forest Hills and the construction of much-needed repair shops in Everett.

Each of the last-named improvements when completed will materially increase the efficiency of the service and permit important economies. They represent adequate provision for requirements that have been long neglected, with resultant delays in travel and waste of revenue. Their importance is such that legislation is sought to make it possible to secure them.

REAL ESTATE PURCHASES AND SALES.

During the year four estates have been purchased for improvements at the Gerrish Avenue terminal, and fourteen estates for improvements at the Forest Hills terminal; there have been three cases of taking for the Everett Extension, and two claims for street changes have been settled. Diligent effort has been made to sell real estate not needed for railway purposes whenever a fair price can be secured. Negotiations have been conducted for the sale of twenty-nine parcels, and nine parcels have been sold for an aggregate of \$95,631.26. Agreements have been made under which it is expected that

four additional parcels will be sold for a total of \$209,000, and negotiations are progressing for the sale of additional parcels.

SUBWAYS AND TUNNELS.

It is expected that the Arlington Street station of the Boylston Street subway will be ready for use in June. The opening of this new door in what is essentially the street railway terminal of our metropolitan center will contribute directly to the better distribution of traffic, and indirectly encourage a desirable extension of the congested business district.

The trustees are considering a change in conditions at the East Boston end of the East Boston tunnel for the proper accommodation of the people of that part of Boston and of outlying districts. The change suggested is the depression of the tunnel at Maverick Square, with suitable provision for transfer from the tunnel trains to the surface lines that connect with Chelsea, Orient Heights and Jeffries Point.

If the recommendation presented to the Legislature in the recent report of the Department of Public Utilities, for the larger undertaking which involves the extension of this tunnel to Central Square, should receive legislative approval this depression of the tunnel would be an incident of it. If that project is not favored or is postponed the depression of the tunnel at Maverick Square can be made without waste or interference with any future extension of the tunnel.

FARES.

The answer to any inquiry as to the outlook for a lower fare is obvious. There is no prospect of any immediate reduction from 10 cents as the basic flat fare.

While conditions have not permitted and will not soon permit a change in the basic 10-cent fare, experiments have been made with a five-cent service without transfer on lines where the run is short, and where there is little competition with the 10-cent lines, there being under such conditions no substantial invasion of revenue. The establishment of such a line between City Point in South Boston and the South Station has been followed by a similar service between Sullivan Square in Charlestown and Hanover Street in Boston.

The question of zone fares furnishes a topic of constantly recurring discussion. Suggestions of one kind and another about such fares are given careful consideration. Some modification of the present system of flat fares with a view to a rate more nearly proportionate to the length of ride is not improbable when conditions are such as to warrant it. Meanwhile experiment elsewhere with zone systems has not been encouraging. One reason may be that in order to establish some general theory these experiments have been inaugurated with an immediate and disrupting revolution in the accustomed order of things. Be that as it may, recent experiments with zone systems, now in Pennsylvania, then in New Jersey, again in Connecticut and elsewhere, have not given satisfaction.

It is improbable that the flat fare upon this system will give way in the near future to any radical change through the substitution of mileage rates. Whatever may come to pass will be due to independent applications of the rule that fits the charge for riding to specific conditions when this can be done without unjust discrimination and without the elimination of the reasonable advantages so long enjoyed under the

flat fare. No experiments of this kind, however, will be put into execution without seasonable notice to those interested.

In this connection it should be noted that there has been a continuing advance in street railway fares all over the country. There are now 48 cities with a 10-cent rate. Of the cities still retaining a 5-cent rate only four have a population of more than 100,000, and two of these are facing immediate increases. The general advance has been rapid, and the trend continues everywhere toward 10 cents as a level. It is significant that the situation is the same whether the railway is in private hands, or there is, as in Cleveland, service at cost with large measure of public control, or, as in other cities, complete municipal ownership and management.

The occasion for the advance in fares on street railways is not alone the greater cost of labor, materials and supplies, but as well a radical change in policy with reference to provision for depreciation. It is now generally admitted that no sane management would fail to set aside from current receipts a sufficient amount to meet renewal and replacement of property that is wearing out day by day. The practice of maintaining these properties by hand to mouth methods has proved disastrous and is being abandoned.

CAMBRIDGE SUBWAY PROCEEDS.

The proceeds received from the sale of the Cambridge Subway amounted to \$7,868,000. The disposition of this money was made subject in the statute to the approval of the Department of Public Utilities. The Board of Trustees petitioned the Department of Public Utilities for authority to apply this sum toward the following expenditures:

For the payment of Boston Elevated Railway Company bonds maturing March 1, 1920	\$1,500,000.00
For the payment of West End St. Railway Company bonds due Aug. 1, 1919	1,581,000.00
For the payment of West End St. Railway Company notes due Feb. 1, 1920	375,000.00
For the payment of additions and improvements to the Boston Elevated Railway Company's property . . .	269,754.79
For the payment of permanent additions to the West End Street Railway Company's property	2,708,446.52
For proposed improvements to the property of the Boston Elevated Railway Company	2,500,000.00
(a) Forest Hills Extension	\$500,000.00
(b) Everett shops	500,000.00
(c) Power plant additions	1,500,000.00
For the payment of West End St. Railway Company bonds maturing Aug. 1, 1920	1,581,000.00

After a hearing, the Department of Public Utilities directed the application of the fund to the following purposes:

For the payment of Boston Elevated Railway Company bonds due March 1, 1920	\$1,500,000.00
For the payment of West End St. Railway Company bonds due Aug. 1, 1919	1,581,000.00
For the payment of West End St. Railway Company notes due Feb. 1, 1920	375,000.00
For the payment of West End St. Railway Company bonds due Aug. 1, 1920	1,581,000.00
For the payment of permanent additions to West End St. Railway Company property	1,561,245.21
For the payment of additions and improvements to Boston Elevated Railway Company property . . .	269,754.79
Appropriated for Forest Hills terminal yard and Everett shops	1,000,000.00
	\$7,868,000.00

The company's offices during this year have been established at 108 Massachusetts Avenue, Boston, with a resulting saving of office expense and greater convenience of arrangement.

We annex a Certificate of Patterson, Teele and Dennis, Accountants, certifying to the correctness of the General Balance Sheet, Income Statement and Profit and Loss Account.

JAMES F. JACKSON.
WINTHROP COFFIN.
STANLEY R. MILLER.
SAMUEL L. POWERS.
JOHN F. STEVENS.

March 15, 1921.

Boston, March 21, 1921.

MR. JAMES F. JACKSON, <i>Chairman</i> ,	} Trustees, Boston Elevated Railway Company, Boston, Mass.
MR. WINTHROP COFFIN,	
MR. STANLEY R. MILLER,	
MR. SAMUEL L. POWERS,	
MR. JOHN F. STEVENS,	

SIRS:

We have examined the accounts of the Boston Elevated Railway Company for the year ending December 31, 1920, and we report upon the Company's financial statements for the year, presented herewith, as follows:

Road and Equipment are shown at book values without adequate provision for depreciation prior to June 30, 1918, but, in our opinion, the depreciation provided for the year under review, in pursuance of the plan for depreciation reserves thereafter adopted by the Trustees, is adequate.

The securities owned by the Company were produced for our inspection and are carried at cost values which, in some cases, exceed the market values. We have verified the current assets as shown by the books, and have satisfied ourselves that the liabilities are correctly stated.

WE HEREBY CERTIFY that, subject to the foregoing comments, the accompanying Balance Sheet is in accordance with the books and correctly states the financial condition of the Boston Elevated Railway Company at December 31, 1920; and that the operating results for the year 1920 are fairly presented in the accompanying Income and Profit and Loss Statements.

Respectfully submitted,

PATTERSON, TEELE AND DENNIS,
Accountants and Auditors.

GENERAL BALANCE SHEET.

DEBITS.	Dec. 31, 1920.	Dec. 31, 1919.	Dec. 31, 1918.	Dec. 31, 1917.
INVESTMENTS.				
Road and equipment at beginning of year	\$57,003,857.51	\$56,034,987.37	\$51,380,800.86	\$51,640,261.40
Additions and betterments during the year	1,092,038.63	968,870.14	1,654,186.51	2,740,539.46
Total	\$58,095,896.14	\$57,003,857.51	\$56,034,987.37	\$54,380,800.86
Cambridge Subway sold to Commonwealth of Massachusetts	7,868,000.00	—	—	—
Total	\$50,227,896.14	\$57,003,857.51	\$56,034,987.37	\$54,380,800.86
Miscellaneous physical property (purchased from the West End St. Ry. Co. under Chap. 940, Acts of 1911)	\$864,186.40	\$922,880.16	\$946,025.57	\$988,311.10
Investments in affiliated companies:				
Stocks	201,509.72	201,509.72	201,509.72	201,509.72
Notes	4,848,245.21	—	—	—
Advances:				
West End St. Ry Co.:				
Road and equipment accounts	1,562,414.49	3,104,020.95	451,878.14	788,776.66
Current account	884,336.34	884,336.34	884,336.34	884,336.34
Other companies, road and equipment	102,852.11	102,852.11	102,852.11	102,852.11
Total investments in affiliated companies	\$7,599,357.87	\$4,292,719.12	\$1,640,576.31	\$1,977,474.83
Other investments:				
Stocks	2,501.00	2,501.00	2,501.00	2,501.00
Notes	91,400.00	108,150.00	132,850.00	210,650.00
Advances	84,764.62	91,643.11	61,393.36	41,036.19
Total investments	\$58,870,106.03	\$62,421,750.90	\$58,818,333.61	\$57,600,773.98

Continued on page 26.

GENERAL BALANCE SHEET.

CREDITS.	Dec. 31, 1920.	Dec. 31, 1919.	Dec. 31, 1918.	Dec. 31, 1917.
Capital stock (common) . . .	\$23,879,400.00	\$23,879,400.00	\$23,879,400.00	\$23,879,400.00
Capital stock (preferred) . . .	3,000,000.00	3,000,000.00	3,000,000.00	—
Premium on capital stock . . .	2,707,428.13	2,707,428.13	2,707,428.13	2,707,428.13
Total stock	\$29,586,828.13	\$29,586,828.13	\$29,586,828.13	\$26,586,828.13
LONG TERM DEBT.				
Funded debt unmatured	\$28,086,000.00	\$29,586,000.00	\$26,586,000.00	\$26,586,000.00
Mortgage note	125,000.00	125,000.00	125,000.00	125,000.00
Non-negotiable debt to affiliated companies:				
Open account (West End Street Railway Company)	1,214,948.88	1,214,948.88	1,214,948.88	1,209,415.38
Total long term debt	\$29,425,948.88	\$30,925,948.88	\$27,925,948.88	\$27,920,415.38
CURRENT LIABILITIES.				
Loans and notes payable	\$3,029,672.74	\$3,908,842.75	\$5,143,100.00	\$2,900,000.00
Audited accounts and wages payable	2,229,714.66	2,211,876.65	1,755,923.95	1,592,312.87
Matured interest, dividends, and rents unpaid	789,640.07	754,488.54	1,004,730.50	345,603.75
Accrued interest, dividends, and rents payable	861,808.32	890,516.54	831,507.00	806,587.73
Total current liabilities . . .	\$6,910,835.79	\$7,765,724.48	\$8,735,261.45	\$5,644,504.40

Continued on page 27.

GENERAL BALANCE SHEET — *Concluded.*

DEBITS.	Dec. 31, 1920.	Dec. 31, 1919.	Dec. 31, 1918.	Dec. 31, 1917.
CURRENT ASSETS.				
Cash	\$2,038,490.62	\$1,956,935.89	\$924,941.39	\$1,005,157.42
Deposits for interest, dividends and rents unpaid	788,434.57	753,283.04	1,003,525.00	344,398.25
Special deposit of reserve fund, under chapter 159, Special Acts of 1918	—	—	510,000.00	—
Loans and notes receivable . . .	1.00	155.65	5,326.75	5,002.47
Miscellaneous accounts receivable	376,746.97	343,674.96	297,587.13	140,209.16
Material and supplies	3,687,118.20	2,892,779.42	3,253,823.69	2,225,997.47
Interest, dividends and rents re- ceivable	26,410.07	17,316.38	13,725.50	6,427.14
Other current assets	33,480.52	41,705.33	15,309.09	24,884.97
Total current assets . . .	\$6,950,681.95	\$6,005,850.67	\$6,024,238.55	\$3,752,076.88
DEFERRED ASSETS.				
Insurance and other funds . . .	\$802,550.00	\$806,976.67	\$835,750.00	\$835,750.00
UNADJUSTED DEBITS.				
Rents and insurance premiums paid in advance	\$227,195.73	\$321,528.77	\$68,819.87	\$145,993.64
Discount on funded debt . . .	323,187.84	358,048.22	288,463.46	313,344.46
Other unadjusted debits . . .	253,690.19	233,924.93	141,239.58	81,023.49
Cost of service deficit for 12 months ending June 30, 1919, as pro- vided for by reserve fund, chapter 159, Acts of 1918 . .	1,000,000.00	1,000,000.00	—	—
Cost of service deficit for 12 months ending June 30, 1919, as pro- vided for by Commonwealth of Massachusetts, chapter 159, Acts of 1918	3,980,151.67	3,980,151.67	—	—
Total unadjusted debits . .	\$5,784,225.43	\$5,893,653.59	\$498,522.91	\$540,361.59
GRAND TOTAL	\$72,407,563.41	\$75,128,231.83	\$66,176,845.07	\$62,728,962.45

GENERAL BALANCE SHEET — *Concluded.*

CREDITS.	Dec. 31, 1920.	Dec. 31, 1919.	Dec. 31, 1918.	Dec. 31, 1917.
DEFERRED LIABILITIES.				
Other deferred liabilities . .	\$53,159.31	\$36,491.33	\$23,530.63	\$34,531.49
UNADJUSTED CREDITS.				
Tax liability	\$397,731.37	\$333,411.63	\$333,588.07	\$333,418.63
Premium on funded debt . .	—	—	—	12,314.96
Insurance and casualty reserves .	40,382.59	42,811.29	44,172.40	572,225.72
Operating reserve, for injuries and damages	988,684.73	1,009,563.20	933,762.84	728,511.73
Accrued depreciation, road and equipment	1,880,997.55	1,842,576.61	1,506,299.56	741,326.09
Other unadjusted credits . .	133,531.38	120,515.41	233,818.65	76,328.14
Amount advanced by Commonwealth of Massachusetts under chapter 159, Acts of 1918, account deficit in cost of service for 12 months ending June 30, 1919	3,980,151.67	3,980,151.67	—	—
Total unadjusted credits .	\$7,421,479.29	\$7,329,029.81	\$3,051,641.52	\$2,464,125.27
Total	\$73,398,251.40	\$75,644,022.63	\$69,323,210.61	\$62,650,404.67
CORPORATE SURPLUS.				
Profit and loss:				
Previous to June 30, 1918 . .	\$184,728.61 ¹	\$56,783.26 ¹	\$72,898.63 ¹	\$78,557.78
Since June 30, 1918	805,959.38 ¹	459,007.54 ¹	3,073,466.91 ¹	—
Total corporate surplus .	\$990,687.99 ¹	\$515,790.80 ¹	\$3,146,365.54 ¹	\$78,557.78
GRAND TOTAL	\$72,407,563.41	\$75,128,231.83	\$66,176,845.07	\$62,728,962.45

¹ Credit.

GENERAL BALANCE SHEET.

The fiscal year of the Board of Trustees as fixed by statute ends on June 30th. The condition of the company on that date is therefore set forth in this Balance Sheet.

DEBITS.	June 30, 1920.	June 30, 1919.	June 30, 1918.
INVESTMENTS.			
Road and equipment:			
Way and structures	\$33,162,696.28	\$40,790,728.96	\$40,379,026.31
Equipment	5,404,040.70	5,321,733.31	4,873,148.76
Power	9,060,009.10	8,875,084.12	8,558,469.48
General and miscellaneous	1,721,244.99	1,692,402.49	1,546,688.84
Total road and equipment	\$49,347,991.07	\$56,679,948.88	\$55,357,333.39
Miscellaneous physical property	\$896,568.29	\$922,880.16	\$988,748.94
Investments in affiliated companies:			
Stocks	201,509.72	201,509.72	201,509.72
Notes	1,581,000.00	—	—
Advances:			
West End Street Railway Company, road and equipment	1,251,856.69	1,029,235.65	536,492.72
West End Street Railway Company, suspense road and equipment	23,277.04	23,277.04	23,277.04
West End Street Railway Company, current account	884,336.34	884,336.34	884,336.34
Other companies, road and equipment	102,852.11	102,852.11	102,852.11
Total investments in affiliated companies	\$4,044,831.90	\$2,241,210.86	\$1,718,467.93
Other Investments:			
Stocks	\$2,501.00	\$2,501.00	\$2,501.00
Notes	107,150.00	132,250.00	133,450.00
Advances, road and equipment:			
Eastern Massachusetts Street Railway Co.	56,807.62	44,957.42	5,654.29
Newtonville and Watertown St. Railway Co.	34,835.49	34,857.40	29,077.04
Total other investments	\$201,294.11	\$214,565.82	\$170,682.33
Total investments	\$54,490,685.37	\$60,058,605.72	\$58,265,232.59
CURRENT ASSETS.			
Cash	\$5,498,821.96	\$1,928,079.39	\$590,465.39
Special deposits:			
Deposits for interest, dividends and rents unpaid	761,913.25	767,484.71	359,347.75
Special deposit of reserve fund	—	—	1,000,000.00
Total special deposits	\$761,913.25	\$767,484.71	\$1,359,347.75
Loans and notes receivable	5,001.00	311.65	5,671.10
Miscellaneous accounts receivable	322,172.55	357,681.91	202,430.43
Material and supplies	2,936,896.09	2,812,270.16	2,506,639.41
Interest, dividends and rents receivable	14,351.50	13,541.58	14,222.76
Other current assets	34,615.81	20,096.48	24,911.62
Total current assets	\$9,573,772.16	\$5,899,465.88	\$4,703,688.46

Continued on page 30.

GENERAL BALANCE SHEET.

CREDITS.		June 30, 1920.	June 30, 1919.	June 30, 1918.
STOCK.				
Capital stock:				
Common stock		\$23,879,400.00	\$23,879,400.00	\$23,879,400.00
Receipts outstanding for installments paid .		—	—	1,050,000.00
Preferred stock		3,000,000.00	3,000,000.00	
Total capital stock		\$26,879,400.00	\$26,879,400.00	\$24,929,400.00
Premium on capital stock		2,707,428.13	2,707,428.13	2,707,428.13
Total stock		\$29,586,828.13	\$29,586,828.13	\$27,636,828.13
LONG TERM DEBT.				
Funded debt unmatured:				
Miscellaneous Obligations:				
4 per cent. 30 yr. debenture bonds, due May 1, 1935		\$8,500,000.00	\$8,500,000.00	\$8,500,000.00
4½ per cent. 30 yr. debenture bonds, due Oct. 1, 1937		4,800,000.00	4,800,000.00	4,800,000.00
4½ per cent. 30 yr. debenture bonds, due Nov. 1, 1941		5,000,000.00	5,000,000.00	5,000,000.00
5 per cent. 30 yr. debenture bonds, due Dec. 1, 1942		8,286,000.00	8,286,000.00	8,286,000.00
6 per cent. 5 yr. debenture bonds, due Mar. 1, 1924		1,500,000.00	1,500,000.00	
6 per cent. 1 yr. debenture bonds, due Mar. 1, 1920		—	1,500,000.00	
Total bonds		\$28,086,000.00	\$29,586,000.00	\$26,586,000.00
Mortgage notes		125,000.00	125,000.00	125,000.00
Total funded debt unmatured		\$28,211,000.00	\$29,711,000.00	\$26,711,000.00
Non-negotiable debt to affiliated companies:				
Open accounts not subject to current settlement:				
West End Street Railway Company, lease account		\$1,207,201.98	\$1,207,201.98	\$1,207,201.98
West End Street Railway Co., cash suspense acct.		7,746.90	7,746.90	
Total non-negotiable debt to affiliated companies		\$1,214,948.88	\$1,214,948.88	\$1,207,201.98
Total long term debt		\$29,425,948.88	\$30,925,948.88	\$27,918,201.98
CURRENT LIABILITIES.				
Loans and notes payable		\$2,800,000.00	\$4,619,278.95	\$3,240,900.00
Audited accounts and wages payable		1,209,731.91	2,913,768.46	1,884,353.66
Matured interest, dividends and rents unpaid . .		763,118.75	768,690.21	360,553.25
Accrued interest, dividends and rents payable:				
Accrued interest on funded debt (Boston Elevated Railway Company)		215,660.42	245,660.42	185,660.42
Accrued interest on loans and notes payable .		1,283.34	1,690.78	856.99
Accrued rents, leased roads, West End Street Railway Company		569,072.37	602,009.87	588,428.62
Accrued rents, leased roads, other companies .		52,801.44	9,847.14	11,738.82
Accrued rents, subway and tunnels (except Tremont subway)		153,428.76	72,440.90	55,674.02
Accrued interest on subscriptions to preferred stock		—	—	2,677.11
Accrued interest on unpaid taxes		—	—	20,010.86
Total accrued interest, dividends and rents payable		\$992,246.33	\$931,649.11	\$865,046.84
Total current liabilities		\$5,765,096.99	\$9,233,386.73	\$6,350,853.75

Continued on page 31.

GENERAL BALANCE SHEET — *Concluded*

DEBITS.	June 30, 1920.	June 30, 1919.	June 30, 1918.
DEFERRED ASSETS.			
Insurance and other funds	\$802,550.00	\$835,750.00	\$835,750.00
Total deferred assets	\$802,550.00	\$835,750.00	\$835,750.00
UNADJUSTED DEBITS.			
Rents and insurance premiums paid in advance	\$346,321.75	\$357,344.50	\$44,455.45
Discount on funded debt (net)	338,921.88	383,959.16	307,061.44
Cost of service deficit for 12 months ending June 30, 1919, as provided for by reserve fund, chapter 159, Acts of 1918	1,000,000.00	1,000,000.00	
Cost of service deficit for 12 months ending June 30, 1919, as provided for by Commonwealth of Massachusetts, chapter 159, Acts of 1918	3,980,151.67	3,980,151.67	
Other unadjusted debits	257,631.84	193,120.36	119,122.23
Total other unadjusted debits	\$5,237,783.51	\$5,173,272.03	\$119,122.23
Total unadjusted debits	\$5,923,027.14	\$5,914,575.69	\$470,639.12
GRAND TOTAL	\$70,790,034.67	\$72,708,397.29	\$64,275,310.17

GENERAL BALANCE SHEET — *Concluded.*

CREDITS.	June 30, 1920.	June 30, 1919.	June 30, 1918.
DEFERRED LIABILITIES.			
Other deferred liabilities	\$46,608.75	\$27,712.62	\$67,878.64
Total deferred liabilities	\$46,608.75	\$27,712.62	\$67,878.64
UNADJUSTED CREDITS.			
Tax liability	\$771,234.38	\$747,026.74	\$670,937.41
Premium on funded debt	—	—	12,314.96
Insurance and casualty reserves:			
Insurance reserve	\$41,144.98	\$44,172.40	\$150,000.00
Total insurance and casualty reserves	\$41,144.98	\$44,172.40	\$150,000.00
Operating reserves:			
Injury and damage reserve	\$933,886.78	\$956,421.63	\$731,765.42
Equalization of operating expenses	418,343.98 ¹	—	—
Total operating reserves	\$515,542.80	\$956,421.63	\$731,765.42
Accrued depreciation—road and equipment	\$426,431.19	\$1,066,993.50	\$616,323.98
Other unadjusted credits:			
Outstanding tickets and checks	\$79,563.19	\$74,196.41	\$40,581.63
Other unadjusted credits	226,123.81	129,648.16	35,119.92
Amount advanced by Commonwealth of Massachusetts under chapter 159, Acts of 1918, account deficit in cost of service for 12 months ending June 30, 1919	3,980,151.67	—	—
Total other unadjusted credits	\$4,285,838.67	\$203,844.57	\$75,701.55
Total unadjusted credits	\$6,040,192.02	\$3,018,458.84	\$2,257,043.32
CORPORATE SURPLUS.			
Profit and loss, balance June 30, 1918	\$74,715.57 ¹	\$83,937.91 ¹	\$44,504.35
Profit and loss, balance since June 30, 1918	75.47	—	—
Total corporate surplus	\$74,640.10 ¹	\$83,937.91 ¹	\$44,504.35
GRAND TOTAL	\$70,790,034.67	\$72,708,397.29	\$64,275,310.17

¹ Credit.

INCOME STATEMENT.

	12 Months ending Dec. 31, 1920.	12 Months ending Dec. 31, 1919.	12 Months ending Dec. 31, 1918.	12 Months ending Dec. 31, 1917.
OPERATING INCOME.				
Passenger revenue	\$33,096,763.69	\$28,752,675.38	\$20,337,459.92	\$19,008,052.05
Special car revenue	12,182.79	14,868.73	14,952.19	22,888.57
Mail revenue	737.10	722.24	815.47	1,040.75
Express revenue	88,657.99	89,002.98	106,707.04	108,757.27
Miscellaneous transportation revenue	4,383.17	3,001.85	2,846.47	1,794.95
Total revenue from transportation	\$33,202,724.74	\$28,860,271.18	\$20,462,781.09	\$19,142,533.59
Station and car privileges	\$300,228.32	\$293,871.62	\$291,300.48	\$286,783.54
Rent of tracks and facilities	39,059.11	41,477.20	38,822.62	49,434.03
Rent of equipment	1,644.27	5,209.45	15,189.44	7,006.04
Rent of buildings and other property	100,499.45	82,514.36	62,968.74	60,839.24
Power	92,192.00	46,349.33	72,972.27	51,129.75
Miscellaneous	14,514.61	74,898.45	32,930.31	133,149.77
Total revenue from other railway operations	\$548,137.76	\$544,320.41	\$514,183.86	\$591,342.37
Total railway operating revenues	\$33,750,862.50	\$29,404,591.59	\$20,976,964.95	\$19,733,875.96
Railway operating expenses:				
Way and structures	\$3,226,275.11	\$3,783,715.35	\$2,372,932.21	\$1,778,174.71
Equipment	4,033,850.42	4,290,039.81	3,142,368.70	1,609,862.81
Power	4,568,991.90	2,980,658.59	2,604,365.66	1,681,939.96
Conducting transportation	11,524,823.18	10,530,882.29	7,772,434.25	6,522,360.05
Traffic	3,357.91	4,758.03	9,167.34	6,405.37
General and miscellaneous	2,411,823.59	2,110,285.34	2,094,829.16	1,948,381.38
Total railway operating expenses	\$25,769,122.11	\$23,760,339.41	\$17,996,097.32	\$13,547,124.28
Per cent. of operating expenses to operating revenues	76.35	80.60	85.79	68.65
Per cent. of operating expenses to operating and non-operating income	75.72	80.34	85.44	68.36
Net revenue, railway operations	\$7,981,740.39	\$5,704,252.18	\$2,980,867.63	\$6,186,751.68
Taxes assignable to railway operations	\$1,142,987.28	\$1,045,502.36	\$917,515.49	\$884,623.01
Operating income	\$6,838,753.11	\$4,658,749.82	\$2,063,352.14	\$5,302,128.67

INCOME STATEMENT — *Concluded.*

	12 Months ending Dec. 31, 1920.	12 Months ending Dec. 31, 1919.	12 Months ending Dec. 31, 1918.	12 Months ending Dec. 31, 1917.
NON-OPERATING INCOME.				
Income from lease of road . . .	\$823.40	\$823.40	\$823.40	\$823.40
Dividend income	9,180.00	9,180.00	9,180.00	9,180.00
Income from funded securities .	6,356.89	6,289.50	6,667.00	23,121.73
Income from unfunded securities and accounts	233,379.60	42,853.06	34,014.01	16,460.47
Income from sinking fund and other reserves	28,853.33	33,280.00	33,280.00	33,280.00
Miscellaneous income	2,180.72	1,565.27	1,763.46	1,665.45
Total non-operating income	\$280,773.94	\$93,991.23	\$85,727.87	\$84,531.05
Gross income	\$7,119,527.05	\$4,752,741.05	\$2,149,080.01	\$5,386,659.72
DEDUCTIONS FROM GROSS INCOME.				
Rent for leased roads:				
Went End Street Railway Co. .	\$2,590,258.15	\$2,540,892.94	\$2,514,318.25	\$2,420,857.25
West End Street Railway Co., Tremont Subway	177,686.09	176,545.11	176,902.89	183,957.82
Other roads	48,303.71	57,793.99	60,992.88	67,925.91
Total rent for leased roads .	\$2,816,247.95	\$2,775,232.04	\$2,752,214.02	\$2,672,740.98
Miscellaneous rents	\$1,612,746.21	\$1,339,501.90	\$1,059,071.66	\$809,540.99
Net loss on miscellaneous physical property	9,325.77	7,986.10	9,136.03	1,234.18
Interest on funded debt . . .	1,307,018.75	1,309,477.08	1,120,787.46	1,087,041.12
Interest on unfunded debt . .	207,945.23	246,312.98	181,369.68	87,531.10
Amortization of discount on funded debt	34,860.38	44,290.46	7,818.12	5,826.69
Miscellaneous debits	14,881.50	8,070.37	5,389.06	5,238.80
Total deductions from gross income	\$6,003,025.79	\$5,730,870.93	\$5,135,786.03	\$4,669,153.86
Net income transferred to credit of profit and loss	1,116,501.26	978,129.88 ¹	2,986,706.02 ¹	717,505.86
Proportion of dividends . . .	1,463,668.50	1,403,970.00	658,235.00	835,779.00
Net loss or gain (including proportion of dividends) .	\$347,167.24 ¹	\$2,382,099.88 ¹	\$3,644,941.02 ¹	\$118,273.14 ¹

¹ Credit.

PROFIT AND LOSS ACCOUNTS.

APPLYING TO OPERATIONS TO JUNE 30, 1918

	DEBIT	
Debit balance at beginning of year		\$56,783.26
Services of engineers in connection with apportionment of cost of Cambridge Bridge	\$3,000.00	
Preliminary engineering services in connection with construction of Cambridge Subway	9,474.90	
Additional income tax for 1917 on West End Street Railway Company	5,307.41	
Uncollectable accounts charged off	150.00	
Amounts eliminated from bills against West End Street Railway Company for additions and improvements made during year ending June 30, 1918	59,582.78	
Amounts eliminated from capital accounts by Dept. of Public Utilities	35,430.26	
Amount paid in settlement of suit arising out of loss of S/S "Kennebec"	15,000.00	127,945.35
Debit Balance December 31, 1920		<u>\$184,728.61</u>

YEAR ENDING DECEMBER 31, 1920.

APPLYING TO OPERATIONS SINCE JUNE 30, 1918

DEBIT

Debit balance at beginning of year		\$459,007.54
Dividends on Preferred Stock:		
\$3.50 per share on 30,000 shares, paid July 1, 1920	\$105,000.00	
\$3.50 per share on 30,000 shares, paid Jan. 3, 1921	105,000.00	
Dividends on Common Stock:		
\$1.25 per share on 238,794 shares, paid April 1, 1920	298,492.50	
\$1.25 per share on 238,794 shares, paid July 1, 1920	298,492.50	
\$1.37½ per share on 238,794 shares, paid Oct. 1, 1920	328,341.75	
\$1.37½ per share on 238,794 shares, paid Jan. 3, 1921	328,341.75	1,463,668.50
TOTAL		\$1,922,676.04

CREDIT

Refund of Corporation Income Tax on the Somerville Horse R. R. Co., paid June 30, 1919	\$215.40
Credit balance transferred from Income Account	1,116,501.26
Debit balance December 31, 1920	805,959.38
TOTAL	\$1,922,676.04

SUMMARY OF PROFIT AND LOSS ACCOUNTS

For operations to June 30, 1918 (<i>debit balance</i>)	\$184,728.61
For operations since June 30, 1918 (<i>debit balance</i>)	805,959.38
TOTAL (<i>debit</i>) December 31, 1920	\$990,687.99

OPERATING EXPENSES.

	12 Months ending Dec. 31, 1920.	12 Months ending Dec. 31, 1919.	12 Months ending Dec. 31, 1918.	12 Months ending Dec. 31, 1917.
WAY AND STRUCTURES.				
Back pay	—	—	\$7,000.00	—
Superintendence of way and structures:				
Surface	\$166,223.23	\$165,118.79	136,683.44	\$113,455.13
Rapid transit lines	28,205.32	24,688.13	15,095.35	11,573.65
Maintenance of track and roadway (except snow and ice):				
Surface	1,384,439.20	2,501,285.11	1,518,607.66	1,002,608.19
Rapid transit lines	258,173.76	283,085.17	140,621.08	122,565.05
Removal of snow and ice:				
Surface	593,007.71	14,346.40	73,312.85	82,365.83
Rapid transit lines	22,540.99	4,203.27	4,600.81	4,711.80
Roadway structures:				
Surface	42,868.72	35,803.15	19,932.39	30,861.49
Rapid transit lines	36,384.76	43,035.13	43,083.20	15,720.84
Signal and telephone and telegraph lines:				
Surface	31,663.13	17,595.94	8,632.89	6,680.93
Rapid transit lines	14,065.69	22,530.04	13,922.53	11,314.50
Other miscellaneous way expenses:				
Surface	19,163.99	80,608.36	7,990.25	11,209.28
Rapid transit lines	—	—	—	15.93
Maintenance of electric line equipment:				
Surface	226,961.96	209,245.69	129,559.48	103,734.48
Rapid transit lines	37,528.09	42,012.62	17,295.54	13,918.58
Maintenance of buildings, fixtures and grounds:				
Surface	250,468.48	187,102.38	114,288.58	107,704.43
Rapid transit lines	97,580.08	109,855.17	62,396.16	59,734.57
Depreciation of way and structures, surface and rapid transit lines .	17,000.00	43,200.00	60,000.00	80,000.00
Total way and structures, surface and general	\$2,731,796.42	\$3,254,305.82	\$2,075,917.54	\$1,538,619.79
Total way and structures, rapid transit lines	\$494,478.69	\$529,409.53	\$297,014.67	\$239,554.92

OPERATING EXPENSES — *Continued.*

	12 Months ending Dec. 31, 1920.	12 Months ending Dec. 31, 1919.	12 Months ending Dec. 31, 1918.	12 Months ending Dec. 31, 1917.
EQUIPMENT.				
Back pay	—	—	\$13,000.00	—
Superintendence of equipment:				
Surface	\$136,169.08	\$130,546.65	\$113,542.02	\$93,250.18
Rapid transit lines	—	—	—	—
Maintenance of cars:				
Surface	1,321,635.21	1,217,514.99	861,605.66	666,685.08
Rapid transit lines	377,932.90	332,935.89	224,967.50	181,583.49
Maintenance of electrical equip- ment of cars:				
Surface	\$648,720.36	\$449,830.58	\$536,826.46	\$322,263.70
Rapid transit lines	155,588.94	143,836.79	91,962.97	59,154.76
Shop expenses:				
Surface	284,693.44	254,115.33	186,119.47	126,630.01
Rapid transit lines	42,266.13	18,393.98	20,746.55	12,056.87
Miscellaneous equipment, vehicles, horses, etc., surface and rapid transit lines	44,844.36	38,545.60	28,928.07	28,238.72
Depreciation of equipment:				
Surface and rapid transit lines	1,022,000.00	1,704,320.00	1,064,670.00	120,000.00
Total equipment, surface and general	\$3,458,062.45	\$3,794,873.15	\$2,804,691.68	\$1,357,067.69
Total equipment, rapid transit lines	\$575,787.97	\$495,166.66	\$337,677.02	\$252,795.12
POWER.				
Back pay	—	—	—	\$6.46
Superintendence of power . . .	\$85,059.57	\$78,597.01	\$66,594.42	51,537.07
Maintenance of power plants . .	457,635.12	328,835.05	290,313.23	125,029.12
Depreciation of power plant build- ings and equipment	965,000.00	256,480.00	60,000.00	120,000.00
Operation of power plants . . .	3,061,297.21	2,316,746.53	2,187,458.01	1,385,367.31
Total power	\$4,568,991.90	\$2,980,658.59	\$2,604,365.66	\$1,681,939.96

OPERATING EXPENSES — *Continued.*

	12 Months ending Dec. 31, 1920.	12 Months ending Dec. 31, 1919.	12 Months ending Dec. 31, 1918.	12 Months ending Dec. 31, 1917.
CONDUCTING TRANSPORTATION.				
Back pay	—	—	\$10,000.00	—
Superintendence of transportation:				
Surface	\$877,061.31	\$778,661.23	\$607,748.02	\$483,863.26
Rapid transit lines	131,403.71	91,570.29	64,317.79	48,386.14
Passenger conductors, motormen and trainmen:				
Surface	6,630,018.52	5,950,016.61	4,491,235.28	4,045,111.66
Rapid transit lines	1,016,953.38	908,771.69	617,703.76	476,552.60
Freight conductors, motormen and trainmen:				
Surface	15,715.67	20,450.89	29,912.31	21,409.07
Rapid transit lines	—	—	—	—
Miscellaneous car service employees:				
Surface	86,130.55	109,490.06	58,596.80	69,797.52
Rapid transit lines	210,324.51	158,145.52	111,244.73	75,495.13
Miscellaneous car service expenses:				
Surface	177,608.75	191,099.17	143,868.17	109,364.44
Rapid transit lines	29,339.27	45,087.54	31,615.31	23,193.60
Station employees:				
Surface	218,126.07	281,890.49	209,322.97	187,354.97
Rapid transit lines	517,052.83	538,103.76	351,533.37	262,795.01
Station expenses:				
Surface	82,408.27	65,305.24	54,531.12	36,536.14
Rapid transit lines	137,224.60	133,807.86	92,380.87	64,575.41
Car house employees:				
Surface	746,615.35	699,607.05	488,167.22	318,603.60
Rapid transit lines	174,311.30	159,678.30	105,004.51	74,636.58
Car house expenses:				
Surface	67,665.40	69,059.33	43,862.65	40,669.16
Rapid transit lines	7,475.83	6,239.11	6,795.19	6,319.37
Operation of signal and telephone and telegraph lines:				
Surface	18,244.20	17,748.72	12,262.96	12,465.02
Rapid transit lines	196,315.49	151,143.08	100,439.37	73,679.11

OPERATING EXPENSES — *Concluded.*

	12 Months ending Dec. 31, 1920.	12 Months ending Dec. 31, 1919.	12 Months ending Dec. 31, 1918.	12 Months ending Dec. 31, 1917.
Other transportation expenses:				
Surface	\$173,303.19	\$147,804.17	\$135,057.21	\$87,385.22
Rapid transit lines	11,524.98	7,202.18	6,834.64	4,167.04
Total conducting transportation, surface	\$9,092,897.28	\$8,331,132.96	\$6,284,564.71	\$5,412,560.06
Total conducting transportation, rapid transit lines	\$2,431,925.90	\$2,199,749.33	\$1,487,869.54	\$1,109,799.99
TRAFFIC.				
Traffic	\$3,357.91	\$4,758.03	\$9,167.34	\$6,405.37
GENERAL AND MISCELLANEOUS.				
Salaries and expenses of general officers and clerks	\$408,825.79	\$389,588.64	\$354,264.58	\$311,634.45
General office supplies and expenses	198,992.05	78,026.75	69,027.07	63,368.35
Law expenses	35,941.44	20,142.84	47,793.69	94,594.84
Relief department, expenses, pensions and gratuities	43,837.44	34,743.75	39,146.02	32,985.94
Miscellaneous general expenses	75,865.97	68,941.20	110,987.75	62,783.61
Injuries and damages	785,971.56	830,663.98	904,895.09	949,969.20
Insurance	372,849.38	274,052.74	207,614.25	141,882.63
Stationery and printing	108,569.70	82,991.60	85,499.43	66,835.57
Store, garage and stable expenses	350,969.92	294,184.04	240,297.86	191,813.09
Rent of tracks and facilities	13,998.99	13,789.55	11,311.15	7,797.78
Rent of equipment	16,001.35	23,160.25	23,992.27	24,715.92
Total general and miscellaneous	\$2,411,823.59	\$2,110,285.34	\$2,094,829.16	\$1,948,381.38
Total operating expenses	\$25,769,122.11	\$23,700,339.41	\$17,996,097.32	\$13,547,124.28

COMPARATIVE DIVISION OF EXPENDITURES.

	Year Ending Dec. 31, 1920	Year Ending Dec. 31, 1919	Year Ending Dec. 31, 1918	Year Ending Dec. 31, 1917
Wages .	\$17,216,445.20	\$15,539,105.59	\$11,007,362.35	\$8,988,580.99
Materials and supplies .	3,310,858.94	3,640,065.60	3,248,317.15	2,269,099.61
Injuries and damages .	✓ 640,165.04	701,907.28	792,783.96	834,981.76
Depreciation	2,004,000.00	2,004,000.00	1,184,670.00	320,000.00
Fuel . .	2,597,652.93	1,815,260.94	1,762,963.86	1,134,461.92
Taxes . .	1,142,987.28	1,045,502.36	917,515.49	884,623.01
Rent of Leased Roads .	2,638,561.86	2,598,686.93	2,575,311.13	2,488,783.16
Subway and Tunnel rents	1,790,432.30	1,516,047.01	1,235,974.55	993,498.81
Int. on borrowed money .	1,514,963.98	1,555,790.06	1,302,157.14	1,174,572.22
Miscellaneous items .	59,067.65	60,346.93	22,343.21	12,299.67
Dividends	1,463,668.50	1,403,970.00	658,235.00	835,779.00
Loss	347,167.24	2,382,099.88	3,644,941.02	118,273.14

TRAFFIC STATISTICS.

YEAR ENDING DECEMBER 31.

	1920	1919	1918	1917
ROUND TRIPS				
Rapid Transit Passenger				
Cars	1,116,619	1,226,099	1,204,348	1,315,444
Surface Passenger Cars	4,647,728	5,351,970	5,403,123	5,660,534
Express Cars, etc.,	6,345	10,157	14,987	15,312
TOTAL	5,770,692	6,588,226	6,622,458	6,991,290

REVENUE MILES

Rapid Transit Passenger				
Cars	14,540,474	14,139,619	13,364,229	14,467,782
Surface Passenger Cars	36,697,053	39,393,903	39,398,056	44,725,977
Express Cars, etc.,	106,635	175,020	239,283	247,295
Sprinkler Cars	15,693	12,707	20,248	14,639
TOTAL	51,359,855	53,721,249	53,021,816	59,455,693

REVENUE CAR HOURS

Rapid Transit Passenger				
Cars	984,150	978,591	893,657	981,867
Surface Passenger Cars	3,643,145	3,770,727	3,748,073	4,343,689
Express Cars, etc.,	10,218	16,765	23,675	23,825
Sprinkler Cars	1,516	1,017	1,873	1,479
TOTAL	4,639,029	4,767,100	4,667,278	5,350,860

PASSENGERS CARRIED

Revenue Passengers on				
Rapid Transit and				
Surface Cars	335,526,561	324,758,685	348,664,700	381,017,338

MILEAGE OF TRACK.

Total track owned by and leased from the West End		
St. Ry. Co., December 31, 1919	425.891	miles
Additions for extensions during the year	3.374	"
TOTAL	429.265	"
Reduction for track taken up or transferred during		
the year	2.785	"

NET LENGTH OF TRACK OWNED BY AND LEASED FROM

THE WEST END STREET RY. CO., Dec. 31, 1920	426.480	"
Leased from other companies	38.995	"
Operated under trackage privileges	3.708	"
Surface track on B. E. Ry. Co. property	23.015	"
Total track for Surface cars	492.198	"
Total track for Rapid Transit cars	43.161	"
TOTAL TRACK, Dec. 31, 1920	535.359	"
Which is made up as follows:		

	For Surface Cars	For Rapid Transit Cars	
Length of main lines	231.358 miles	16.804 miles	
Length of second track	197.349 "	16.366 "	
Length of sidings, car- house curves, cross- overs, etc., ...	10.848 "	3.045 "	
Length of track in car- houses and yards	52.643 "	6.946 "	
TOTALS.	492.198 "	43.161 "	
The total length of surface track in reservations is			45.18 "
The total length of surface track built with heavy girder rail is			456.704 "

DECEMBER 31, 1920.

The total length of track in subways and tunnels used for surface cars is as follows:

Tremont Subway	5.400 miles
East Boston Tunnel and Extension	3.782 "
Boylston Subway	3.016 "

Total Length of Track in Sub-

ways used for surface cars is 12.198 miles

The total length of track in subways and tunnels used for rapid transit trains is as follows:

Washington Tunnel	2.326 miles
Cambridge-Dorchester Tunnel	
Cambridge Subway proper	
and incline to bridge	4.743 miles
Cambridge Bridge and El-	
evated Connection	1.029 "
Cambridge Connection (Bea-	
con Tunnel)	.965 "
Dorchester Tunnel	4.628
	11.365 "

Total Length of Track in
Subways and Tunnels
used for Rapid Transit

Trains is 13.691 miles

The total length of track in all Subways and Tunnels is 25.889 miles

The total length of surface track in the Cambridge Subway is 723 "

The total length of surface track in the Dorchester Tunnel and at Andrew Station is 635 "

The total length of track on the East Cambridge Viaduct and connection is 2.678 "

EQUIPMENT.

PASSENGER CARS—SURFACE LINES

Type of Car.	Number Owned	Brake Equipt.	Truck Equipt.	Control Equipt.	Seating Capacity
Semi-Convertible-Prepayment Type:					
# 1 Type 32-Ft.	40	Air	Double	G.E.M. Type	48
# 2 Type 33-1/4-Ft.	37	"	"	G.E. Auto	52
# 3 Type 33-1/4-Ft.	91	"	"	G.E. Auto	52
# 4 Type 34-1/3-Ft.	50	"	"	West. H. L.	52
# 4-A Type 34-1/3-Ft.	50	"	"	West. H. L.	52
# 4-A2 Type 34-1/3-Ft.	75	"	"	G. E. M.	52
# 4-A3 Type 34-1/3-Ft.	100	"	"	West. H. L.	52
Spec. Type 34-1/3-Ft.	10	"	"	G.E. Auto	52
Total Semi-Convertible	453				
Centre Entrance-Prepayment-Motor Cars					
Centre Entrance-Prepayment Trailer Cars	{ 200	"	"	G. E. P. C. 5	58
Safety Type, 1 man, Prepayment	100	"	"	W.H.-A-B-P-C	58
Articulated Prepayment:					
Double-20-Ft. Type	224	"	Single	None	62
Double-25-Ft. Type	81	"		K-10-Q	30
Double-20-Ft. Type	63	"	Double	K	52
Double-25-Ft. Type	111	"	Quadruple	K	68
Total Articulated	174				
Box Cars:					
28-Ft.	2	Hand	Double	K	38
26-1/2 Ft. (14 are Prepayment)	60	Air	"	K	36
25-Ft.	737	Hand	"	K	34
24-Ft. (Parlor)	1	Air	"	M	chairs
20-Ft.	20	Hand	Single	K	26
20-Ft. (Parlor)	1	Hand	"	K	chairs
16-Ft. (Parlor)	1	Hand	"	K	"
Total Box Cars	822				

DECEMBER 31, 1920.

PASSENGER CARS—SURFACE LINES (Continued)

Type of Car.	Number Owned	Brake Equipt.	Truck Equipt.	Control Equipt.	Seating Capacity
Open Cars:					
12-Bench	174	Hand	Double	K	60
9-Bench	1	"	Single	K and Rheo.	45
Total Open Cars	175				
TOTAL SURFACE PASSENGER CARS	2,229				

PASSENGER CARS—RAPID TRANSIT LINES

Type of Car.	Number Owned	Brake Equipt.	Truck Equipt.	Control Equipt.	Seating Capacity
Elevated Cars:					
Wood and Steel (4 end and 2 side doors)	164	Air	Double	G.E. Auto	48
All Steel	161	"	"	"	48
Total Elevated	325				
Cambridge-Dorchester Tunnel (6 side doors)	95	"	"	West, A. L.	72
TOTAL RAPID TRANSIT LINES	420				
TOTAL PASSENGER CARS OWNED	2,649				

OTHER EQUIPMENT

Newspaper Car	1	Snow Removers, Horse		14
Service Cars (179 Surface, 24 Rapid Transit)	203	Snow Plows, Horse		2
Snow Plows, Electric	220	Snow Sleds		544
Snow Sweepers, Electric	14	Miscellaneous Vehicles		265
Electric Shovel	2	Horses		163
All Electric Car Motors (955 rapid transit, 6,264 surface)				7,219

SUMMARY OF STOCKHOLDERS OF RECORD.

DECEMBER 31, 1920

State.	COMMON.		PREFERRED.	
	No. Stockholders.	Shares.	No. Stockholders.	Shares.
Massachusetts	5,580	212,794	3,103	27,279
OTHER STATES				
Alabama	2	22		
California	43	1,381	16	135
Colorado	5	523	1	2
Connecticut	71	2,244	30	307
Delaware	1	10		
District of Columbia	24	1,108	9	61
Florida	12	316	4	18
Georgia	3	50	2	11
Illinois	24	540	5	57
Indiana	2	146	1	6
Iowa	2	5	1	30
Kansas	1	12	1	2
Kentucky	1	10		
Maine	104	3,619	40	342
Maryland	5	67	2	9
Michigan	8	173	5	48
Minnesota	7	78	1	4
Missouri	7	181	3	18
Montana	1	2		
New Hampshire	170	3,279	80	313
New Jersey	19	257	2	9
New Mexico	1	10		
New York	180	7,543	78	909
North Carolina	1	10		
North Dakota	1	10		
Oklahoma	3	25		
Ohio	11	408	3	57
Pennsylvania	48	1,032	14	51
South Dakota	1	50		
Rhode Island	43	1,461	23	188
Tennessee	2	11	1	1
Texas	3	23	1	3
Vermont	28	333	11	30
Virginia	5	81	3	12
Washington	7	68	3	13
West Virginia	2	8		
Wisconsin	8	143	1	13
	856	25,239	341	2,649
Cuba	1	25		

BRITISH PROVINCES

Province.	COMMON.		PREFERRED.	
	No. Stockholders.	Shares.	No. Stockholders.	Shares.
Quebec	9 . .	407 . .	5 . .	54
Ontario	4 . .	41		
New Brunswick . .	2 . .	13 . .	1 . .	1
Nova Scotia . . .	3 . .	42 . .	2 . .	12
British Columbia . .	1 . .	8		
Saskatchewan . .	1 . .	15		
Prince Edward Island	1 . .	5		
Alberta	1 . .	10		
	<u>22</u>	<u>541</u>	<u>8</u>	<u>67</u>

EUROPEAN COUNTRIES

England	3 . .	20 . .	3 . .	5
Denmark	1 . .	30		
Ireland	1 . .	5		
France	3 . .	20		
Italy	1 . .	10		
Belgium	1 . .	50		
	<u>10 . .</u>	<u>135 . .</u>	<u>3 . .</u>	<u>5</u>

CENTRAL AMERICA

Nicaragua	1 . .	35
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ASIA

China	1 . .	25
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RECAPITULATION

Massachusetts . .	5,580 . .	212,794 . .	3,103 . .	27,279
Other States . . .	856 . .	25,239 . .	341 . .	2,649
Cuba	1 . .	25		
British Provinces . .	22 . .	541 . .	8 . .	67
European Countries .	10 . .	135 . .	3 . .	5
Central America . .	1 . .	35		
Asiatic Countries . .	1 . .	25		
	<u>6,471 . .</u>	<u>238,794 . .</u>	<u>3,455 . .</u>	<u>30,000</u>

BOSTON ELEVATED RAILWAY COMPANY, TRUSTEE.

STATEMENT OF SPECIAL TRUST FUND DECEMBER 31, 1920

Principal of Trust Fund as established	\$1,500,000.00
Accretions and accumulations of income to December 31, 1920	561,124.94
TOTAL	\$2,061,124.94
Investment in marketable securities and real estate .	\$2,058,590.18
Cash	2,534.76
TOTAL	\$2,061,124.94

The above Trust Fund is held by the Boston Elevated Railway Company under Chapter 740, Acts of 1911, "An Act to authorize the consolidation of properties and franchises of the Boston Elevated Railway Company and the West End Street Railway Company," and represents the proceeds from the sale to the Boston Elevated Railway Company of real estate of the West End St. Ry. Company, which was not required in the conduct of the business. The amount so received (\$1,500,000) is to be held by the Boston Elevated Railway Company and invested by it and allowed to accumulate until the tenth day of June, 1922, when the consolidation of the two companies is to take place. Thereafter, the annual income therefrom shall be applied toward the purchase and retirement of the second preferred stock of the Boston Elevated Company. No part of this fund or its income can be used for any other purpose.

ANNUAL REPORT

OF THE

PUBLIC TRUSTEES OF THE BOSTON ELEVATED RAILWAY

FOR THE

YEAR ENDING DECEMBER 31, 1921

BOSTON
WRIGHT & POTTER PRINTING COMPANY
32 DERNE STREET

1922

ANNUAL REPORT
OF THE
PUBLIC TRUSTEES OF THE BOSTON
ELEVATED RAILWAY

FOR THE
YEAR ENDING DECEMBER 31, 1921

BOSTON
WRIGHT & POTTER PRINTING COMPANY
32 DERNE STREET
1922

REPORT OF THE BOARD OF PUBLIC TRUSTEES OF THE BOSTON ELEVATED RAILWAY.

To the Honorable Senate and House of Representatives.

Pursuant to the provisions of chapter 185 of the Special Acts of 1919, as amended by chapter 108 of the Special Acts of 1921, the public trustees of the Boston Elevated Railway respectfully submit their third annual report.

RESULT OF OPERATION.

Complete statements showing the results of operation for the calendar year which closed with the thirty-first day of December, 1921, are appended to this report.

Briefly it may be said that after making allowance for delayed charges and credits applying to the operations of previous years, the receipts for the calendar year exceeded the cost of service by \$1,117,621.33. In the preceding calendar year the cost of service had exceeded receipts by \$346,951.84. On the thirty-first of December, 1920, as explained in our report for that year, there were also outstanding deficits carried over from the year 1919 that amounted to \$459,007.54. These obligations, totaling \$805,959.38, have been met and \$311,661.95 paid into the reserve fund as required by law.

That the improved financial standing is appreciated is shown in the recent placing at a premium of a refunding issue of West End bonds bearing $6\frac{1}{4}$ per cent interest.

When the trustees in the summer of 1918 took over this railway they assumed a double task. They were directed to establish fares that would provide revenue sufficient to meet the costs of operation and to put the property in a good operating condition. This was to be done in the face of a higher scale of wages and of mounting prices of supplies and materials, and with a railway that had been exhausted in the effort to maintain service under a 5-cent fare. Three years and a half have elapsed. At the end of the first year, during which a 5, then a 7 and finally an 8 cent fare was in force,

an operating deficit of approximately \$5,000,000 had accumulated, which was met from the reserve fund and general taxation in the cities and towns served by the railway. In the second year, with a universal 10-cent fare in force, revenue practically met expenses. In the calendar year just closed, as already stated, receipts have exceeded expenditures by approximately \$1,117,000.

With the establishment of the railway upon a self-supporting basis public interest has been awakened to the prospect of repayment to cities and towns of the amounts advanced by them to meet the deficit of the first year of public operation. Under the provisions of the public control act the general 10-cent fare cannot be replaced by a lower fare until this repayment has been made. On the first of next July surplus receipts, after the payment of costs of service and of the balance due the reserve fund, should approximate at least \$500,000, and with favorable weather conditions prevailing the balance will no doubt be substantially larger. Under the statute this surplus must be used in reimbursing the cities and towns. The balance of the loan could possibly be paid in the following year, in any event at an early day thereafter.

· RECEIPTS AND EXPENDITURES.

The following comparative table presents a summary of receipts and expenditures for the past and preceding years: —

Comparative Division of Receipts and Expenditures for Year ending December 31.

	1921.	1920.	1919.	1918.	1917.	1916.
Total receipts	\$33,277,025 53	\$34,031,636 44	\$29,498,582 82	\$21,062,692 82	\$19,818,407 01	\$19,376,357 38
Operating expenses:						
Wages	\$15,503,255 53	\$17,216,445 20	\$15,539,105 59	\$11,007,362 35	\$8,988,580 99	\$8,802,256 11
Material and supplies	3,093,934 69	3,310,858 94	3,640,065 60	3,248,317 15	2,269,099 61	1,846,495 99
Injuries and damages	518,249 02	640,165 04	701,907 28	792,783 96	834,981 76	829,194 39
Depreciation	2,004,000 00	2,004,000 00	2,004,000 00	1,184,670 00	320,000 00	320,000 00
Fuel	1,663,617 75	2,597,652 93	1,815,260 94	1,762,963 86	1,134,461 92	856,175 83
Total operating expenses	\$22,843,056 99	\$25,769,122 11	\$23,700,339 41	\$17,996,097 32	\$13,547,124 28	\$12,654,122 32
Taxes	1,546,758 15	1,142,987 28	1,045,502 36	917,515 49	884,623 01	1,034,981 94
Rent of leased roads	2,679,694 72	2,638,561 86	2,598,686 93	2,575,311 13	2,488,783 16	2,404,039 90
Subway and tunnel rents	1,963,737 78	1,790,432 30	1,516,047 01	1,235,974 55	993,498 81	968,977 60
Interest on borrowed money	1,494,258 43	1,514,963 98	1,555,790 06	1,302,157 14	1,174,572 22	1,137,633 73
Miscellaneous items	54,707 59	59,067 65	60,346 93	22,343 21	12,299 67	11,259 37
Dividends	1,523,367 00	1,463,668 50	1,403,970 00	658,235 00	835,779 00	1,163,970 00
Total cost of service	\$32,105,580 66	\$34,378,803 68	\$31,880,632 70	\$24,707,633 84	\$19,936,680 15	\$19,404,984 86
Loss for year	-	\$347,167 24	\$2,382,099 88	\$3,644,941 02	113,273 14	\$28,627 48
Gain for year	\$1,171,444 87	-	-	-	-	-

COMPARATIVE PASSENGER STATISTICS.

Revenue Passengers carried.

YEAR.	Week Day Average.	Saturday Average.	Sunday Average.	Holiday Average.	Total for Year.
1915	992,283	1,140,046	685,726	846,860	352,469,586
1916	1,050,038	1,218,749	718,804	832,962	373,577,908
1917	1,073,943	1,249,588	728,847	857,902	381,017,338
1918	985,384	1,147,809	658,902	775,634	348,664,700
1919	934,918	1,078,635	596,182	706,429	324,758,685
1920	960,737	1,072,319	591,063	703,634	335,526,561
1921	975,745	1,068,295	578,860	696,691	337,252,080

Notwithstanding the general lessening of traffic upon railroads and railways, which began with the industrial depression last spring, on the Boston Elevated there has been an increase in the number of passengers carried. This has been due in large measure to the experimental operation of 5-cent surface lines for short distance travel without transfer. The number of passengers now riding for a 5-cent fare is 18 per cent of the total riding. With the establishment of additional lines to be in operation during this and next month, the number will undoubtedly exceed 20 per cent of the total riding. This limited local service adds to the usefulness of the railway without imposing material burden upon those who pay the basic 10-cent fare. The experiment with this service has attracted the attention of transportation experts in many large cities. It may well lead to the adoption of some plan for a general reduction in fares upon an equitable distribution of the charge for riding.

The operating costs of 1921 reflect lower prices of coal and materials, decrease in wages, the less severe conditions of the winter season, and changes that have promoted efficient operation. The division of expenditures is graphically shown in the annexed chart.

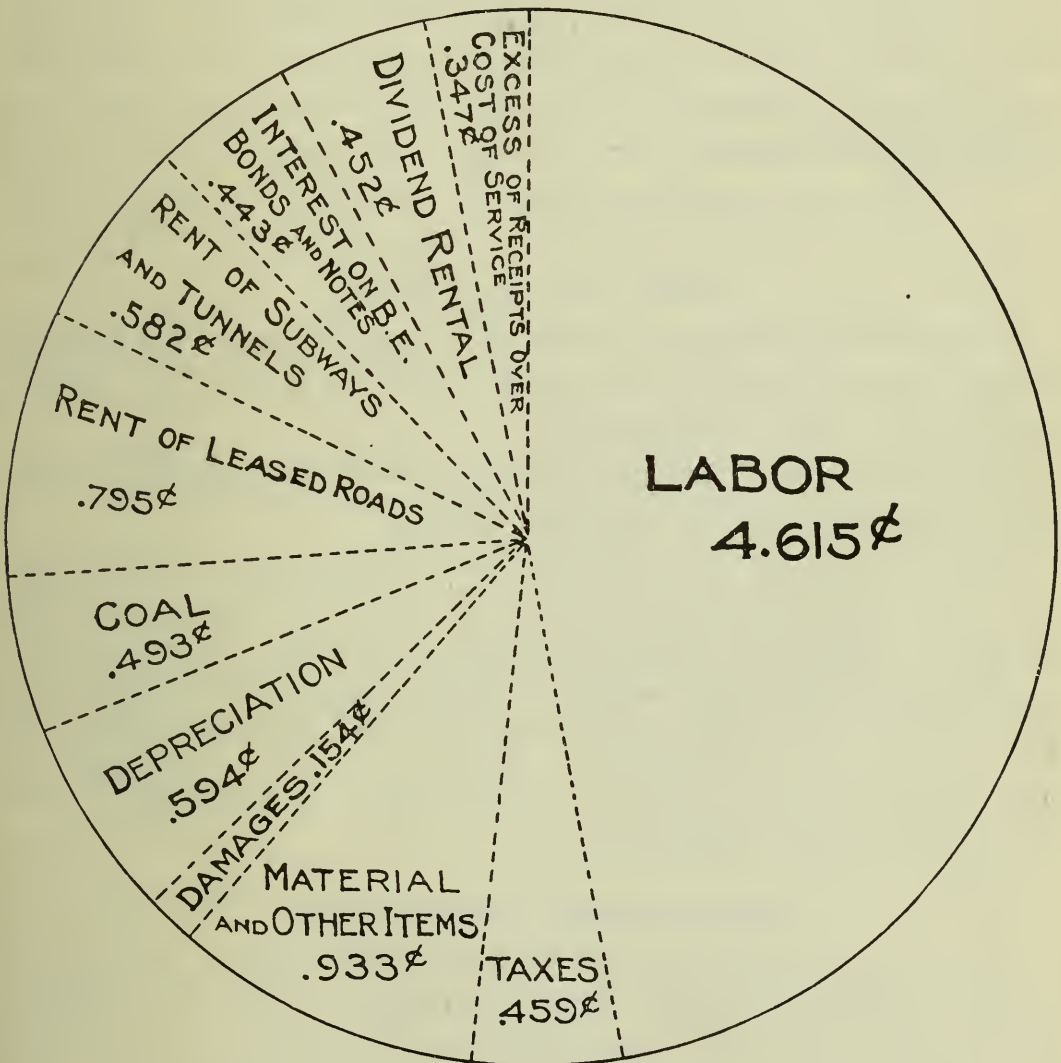
BOSTON ELEVATED RAILWAY

ALLOCATION OF RECEIPTS PER PASSENGER

12 MONTHS ENDING DECEMBER 31, 1921.

AVERAGE RECEIPTS PER REVENUE PASSENGER

9.867¢



POWER.

The power plant has been improved through installation of new equipment, such as air compressors, soot blowers, reactance coils, air washers, feed pumps and rotary converters. Fewer tons of coal have been burned during the last year than in any of the years given in the following comparative table, which shows the price of coal per ton and the unit of efficiency of the coal burned:—

	1921.	1920.	1919.	1918.	1917.	1916.	1915.
Tons of coal burned	215,870	258,087	287,670	281,677	270,452	254,735	244,912
Pounds of coal per kilowatt hour . .	2.174	2.353	2.835	2.772	2.309	2.256	2.321
Average price of coal per ton . . .	\$7 71	\$10 07	\$5 91	\$6 26	\$4 19	\$3 35	\$3 39
Net cost of power for car service per kilowatt hour (cents).	1.172	1.921	1.307	1.158	.620	.534	.517
Net cost of power per total revenue car mile (cents).	4.815	8.538	5.439	4.668	2.573	2.137	1.972

ROAD AND EQUIPMENT.

The proportionate part of the work to be done under the program adopted for improvements necessary to fit the railway for efficient operation has been accomplished.

During the year 27.242 miles of track have been constructed and 13.88 miles improved by extensive repairs.

One hundred and five modern center entrance cars have been received and placed in service, and 46 of the 65 steel cars which were ordered to replace an equivalent number of wooden cars in use on elevated lines have been received. Several large snow ploughs have been added to the equipment. The list of useless equipment has been lessened by the disposal of obsolete cars, snow ploughs, trucks and miscellaneous equipment.

RAPID TRANSIT DEVELOPMENT.

The Arlington station of the Boylston Street subway was opened on the 13th of November. About 8,000 persons now enter or leave this station daily. The construction cost was large, as the work was done during the period of high costs. This new door to the railway terminal contributes to the better distribution of traffic, encourages a desirable extension of the crowded business district,

and provides a direct, safe and convenient access to the Public Garden. The two last named have a public value independent of financial return.

In extending the platform connected with this structure toward Berkeley Street, those interested in the upbuilding and development of business interests in this locality have relieved the car riders during the period of public control of subway rental arising from additional cost of construction.

Minor improvements for relief of congestion have been made in the Tremont Street subway by the alteration of the stairways at the Park Street station. The trustees have requested the Boston Transit Department to make other changes of that kind, for example, the enlargement of the stairway leading from the inbound platform of the Cambridge subway to the platform of the Park Street station. At the Park Street and the Boylston Street stations platforms have been arranged in the interest of greater clearance and safety.

The platform accommodation originally provided in the station at Harvard Square has long been utterly inadequate for its purpose. This defect is the occasion of deplorable inconvenience and confusion in the loading of cars. Three sets of plans to remedy the evil have been completed by the railway engineers, one calling for an expenditure of \$160,000, another of \$565,000, and a third of \$365,000. These plans are ready for submission to such public board as may be given authority to deal with the situation in behalf of the Commonwealth.

Actual construction of the terminal station of the East Boston tunnel at Maverick Square is under way by the Transit Department. When completed, this will permit a much increased service through the tunnel.

The trustees have also taken part in the work of the Joint Board, consisting of the Department of Public Utilities and the Transit Department of Boston, in the adoption of a practical plan to provide for an extension of rapid transit service in Dorchester.

The terminal yard at Forest Hills has been completed, and the operation of trains from this yard began on the 9th of November. This means efficient operation of the main line, reduces the likelihood of serious results should the Charlestown bridge become disabled, and annually lessens operating costs by eliminating nearly 1,000,000 miles of dead mileage.

Two exceedingly important and far-reaching changes in rapid transit are now pending. One involves virtually a new transit thoroughfare for the operation of three-car trains from a terminal at Braves Field, Allston, through the Boylston Street and Tremont Street subways and over the East Cambridge Viaduct to Lechmere Square, Cambridge, where a new terminal is being constructed. This change will substitute one large unit for several small units, and through the use of trains with additional cars will mean more frequent, rapid and regular service, that will materially relieve the congestion in the subway, which is the subject of continual annoyance and well-founded complaint. The other change is that proposed in the lines operating on Huntington Avenue through the substitution of train for single car service. It is a preliminary step toward making this a rapid transit thoroughfare from Park Street to Brookline Village, at which point passengers will transfer from cars on outlying lines in the same manner as at points that connect with rapid transit divisions. The use of the highway reservation in which these cars will operate for a large part of the way lends itself to the development of rapid transit.

It is expected that the change in service over Huntington Avenue will become effective on the 6th of February, 1922. The improvement in service between Lechmere Square and Braves Field has been delayed to await the outcome of proceedings in connection with the determination of certain differences affecting local interests, which it is hoped will not long interfere with the large benefits that its consummation will bring to the general public.

The vital fact is that these two improvements furnish the only known way of relieving the congestion in the Tremont Street subway until a permanent remedy is provided through the enlargement of the facilities which this subway affords.

In the return to a better financial footing, with assurance of ability to procure sufficient revenue to meet the costs of service, the trustees welcome the opportunity to deal more liberally with questions of accommodation for the public and less attention to drastic measures aimed merely at economies. It is now possible, without abandonment of business methods or disregard of economies that make for efficient service, to decide upon their merits requests involving additional usefulness and larger convenience for the car-riding public.

Recommendations for legislation have been duly filed in accord-

ance with law and now appear as House Document No. 63. One of them relates to the issue of bonds to provide capital for the completion of repair shops at Everett. The shops now in use are the inheritance of horse-car days, wholly unfit to meet everyday needs in painting, repairing and caring for rolling stock. The annual saving that would follow the use of the shops which have been planned would be very large.

JAMES F. JACKSON.

WINTHROP COFFIN.

STANLEY R. MILLER.

SAM'L L. POWERS.

JOHN F. STEVENS.

JAN. 26, 1922.

GENERAL BALANCE SHEET.

DEBITS.	Dec. 31, 1921.	Dec. 31, 1920.	Dec. 31, 1919.
INVESTMENTS.			
Road and equipment:			
Way and structures	\$34,344,346 80	\$33,478,504 96	\$40,881,079 20
Equipment	6,503,176 98	5,860,282 11	5,395,383 53
Power	9,330,904 31	9,152,496 45	9,007,407 92
General and miscellaneous	1,768,771 83	1,736,612 62	1,719,986 86
Total road and equipment	\$51,947,199 92	\$50,227,896 14	\$57,003,857 51
Miscellaneous physical property	\$619,319 33	\$864,186 40	\$922,889 16
Investments in affiliated companies:			
Stocks	\$201,509 72	\$201,509 72	\$201,509 72
Notes	4,848,245 21	4,848,245 21	-
Advances:			
West End Street Railway Company, road and equip- ment.	349,421 95	1,524,170 90	3,080,743 91
West End Street Railway Company, suspense road and equipment.	504,588 16	38,243 59	23,277 04
West End Street Railway Company, current account	884,336 34	884,336 34	884,336 34
Other companies, road and equipment	102,852 11	102,852 11	102,852 11
Total investments in affiliated companies	\$6,890,953 49	\$7,599,357 87	\$4,292,719 12
Other investments:			
Stocks	\$2,501 00	\$2,501 00	\$2,501 00
Notes	86,700 00	91,400 00	108,150 00
Advances, road and equipment:			
Eastern Massachusetts Street Railway Company	120,740 65	84,764 62	56,807 62
Newtonville and Watertown Street Railway Company	-	-	34,835 49
Total other investments	\$209,941 65	\$178,665 62	\$202,294 11
Total investments	\$59,667,414 39	\$58,870,196 03	\$62,421,750 90
CURRENT ASSETS.			
Cash	\$1,320,913 37	\$2,038,490 62	\$1,956,935 89
Special deposits:			
Deposits for interest, dividends and rents unpaid	\$769,146 63	\$788,434 57	\$753,283 04
Total special deposits	\$769,146 63	\$788,434 57	\$753,283 04
Loans and notes receivable	430 98	1 00	155 65
Miscellaneous accounts receivable	227,734 19	376,746 97	343,674 96
Material and supplies	3,251,416 43	3,687,118 20	2,892,779 42
Interest, dividends and rents receivable	30,308 96	26,410 07	17,316 38
Other current assets	35,716 13	33,480 52	41,705 33
Total current assets	\$5,635,666 69	\$6,950,681 95	\$6,005,850 67

GENERAL BALANCE SHEET.

CREDITS.	Dec. 31, 1921.	Dec. 31, 1920.	Dec. 31, 1919.
STOCK.			
Capital stock:			
Common stock	\$23,879,400 00	\$23,879,400 00	\$23,879,400 00
Preferred stock	3,000,000 00	3,000,000 00	3,000,000 00
Total capital stock	\$26,879,400 00	\$26,879,400 00	\$26,879,400 00
Premium on capital stock	2,707,428 13	2,707,428 13	2,707,428 13
Total stock	\$29,586,828 13	\$29,586,828 13	\$29,586,828 13
LONG TERM DEBT.			
Funded debt unmatured:			
Miscellaneous obligations:			
4 per cent, 30-year debenture bonds, due May 1, 1935	\$8,500,000 00	\$8,500,000 00	\$8,500,000 00
4½ per cent, 30-year debenture bonds, due Oct. 1, 1937	4,800,000 00	4,800,000 00	4,800,000 00
4½ per cent, 30-year debenture bonds, due Nov. 1, 1941	5,000,000 00	5,000,000 00	5,000,000 00
5 per cent, 30-year debenture bonds, due Dec. 1, 1942	8,286,000 00	8,286,000 00	8,286,000 00
6 per cent, 5-year debenture bonds, due March 1, 1924	1,500,000 00	1,500,000 00	1,500,000 00
6 per cent, 1-year debenture bonds, due March 1, 1920	—	—	1,500,000 00
Total bonds	\$28,086,000 00	\$28,086,000 00	\$29,586,000 00
Mortgage notes	125,000 00	125,000 00	125,000 00
Total funded debt unmatured	\$28,211,000 00	\$28,211,000 00	\$29,711,000 00
Non-negotiable debt to affiliated companies:			
Open accounts not subject to current settlement:			
West End Street Railway Company, lease account .	\$1,207,201 98	\$1,207,201 98	\$1,207,201 98
West End Street Railway Company, cash suspense account.	7,746 90	7,746 90	7,746 90
Total non-negotiable debt to affiliated companies	\$1,214,948 88	\$1,214,948 88	\$1,214,948 88
Total long term debt	\$29,425,948 88	\$29,425,948 88	\$30,925,948 88
CURRENT LIABILITIES.			
Loans and notes payable	\$2,463,372 13	\$3,029,672 74	\$3,908,842 75
Audited accounts and wages payable	1,208,320 20	2,229,714 66	2,211,876 65
Matured interest, dividends and rents unpaid . . .	770,352 13	789,640 07	754,488 54
Accrued interest, dividends and rents payable:			
Accrued interest on funded debt (Boston Elevated Railway Company).	\$216,441 67	\$216,441 67	\$245,660 42
Accrued interest on loans and notes payable . . .	1,726 74	3,224 81	959 29
Accrued rents, leased roads, West End Street Railway Company.	519,834 87	519,834 87	569,072 37
Accrued rents, leased roads, other companies . . .	8,067 30	7,556 67	34,510 20
Accrued rents, subway and tunnels (except Tremont Street subway).	116,755 02	105,579 46	31,493 83
Accrued interest on unpaid taxes	2,896 00	9,170 84	8,820 43
Total accrued interest, dividends and rents payable	\$865,721 60	\$861,808 32	\$890,516 54
Total current liabilities	\$5,307,766 06	\$6,910,835 79	\$7,765,724 48

GENERAL BALANCE SHEET — *Concluded.*

DEBITS.	Dec. 31, 1921.	Dec. 31, 1920.	Dec. 31, 1919.
DEFERRED ASSETS.			
Insurance and other funds	\$802,550 00	\$802,550 00	\$806,976 67
Total deferred assets	\$802,550 00	\$802,550 00	\$806,976 67
UNADJUSTED DEBITS.			
Rents and insurance premiums paid in advance . .	\$129,100 42	\$227,195 73	\$321,528 77
Discount on funded debt (net)	291,719 76	323,187 84	358,048 22
Other unadjusted debits:			
Cost of service deficit for twelve months ending June 30, 1919, as provided for by Reserve Fund, chapter 159, Special Acts of 1918.	\$688,338 05	\$1,000,000 00	\$1,000,000 00
Cost of service deficit for twelve months ending June 30, 1919, as provided for by Commonwealth of Massachusetts, chapter 159, Special Acts of 1918.	3,980,151 67	3,980,151 67	3,980,151 67
Other unadjusted debits	203,072 29	253,690 19	233,924 93
Total other unadjusted debits	\$4,871,562 01	\$5,233,841 86	\$5,214,076 60
Total unadjusted debits	\$5,292,382 19	\$5,784,225 43	\$5,893,653 59
Total debits	\$71,398,013 27	\$72,407,563 41	\$75,128,231 83

GENERAL BALANCE SHEET — *Concluded.*

CREDITS.	Dec. 31, 1921.	Dec. 31, 1920.	Dec. 31, 1919.
DEFERRED LIABILITIES.			
Other deferred liabilities	\$38,952 50	\$53,159 31	\$36,491 33
Total deferred liabilities	\$38,952 50	\$53,159 31	\$36,491 33
UNADJUSTED CREDITS.			
Tax liability	\$733,233 02	\$397,731 37	\$333,411 63
Insurance and casualty reserves:			
Insurance reserve	—	\$40,382 59	\$42,811 29
Total insurance and casualty reserves	—	\$40,382 59	\$42,811 29
Operating reserves:			
Injury and damage reserve	\$918,042 56	\$988,684 73	\$1,009,563 20
Total operating reserves	\$918,042 56	\$988,684 73	\$1,009,563 20
Accrued depreciation, road and equipment	\$1,503,431 44	\$1,880,997 55	\$1,842,576 61
Other unadjusted credits:			
Outstanding tickets and checks	\$93,888 66	\$93,733 07	\$87,505 41
Other unadjusted credits	48,747 52	39,798 31	33,010 00
Amount advanced by Commonwealth of Massachusetts under chapter 159, Special Acts of 1918, account deficit in cost of service for twelve months ending June 30, 1919.	3,980,151 67	3,980,151 67	3,980,151 67
Total other unadjusted credits	\$4,122,787 85	\$4,113,683 05	\$4,100,667 08
Total unadjusted credits	\$7,277,494 87	\$7,421,479 29	\$7,329,029 81
CORPORATE SURPLUS.			
Profit and loss, balance June 30, 1918	\$238,977 17 ¹	\$184,728 61 ¹	\$56,783 26 ¹
Profit and loss, since June 30, 1918	—	805,959 38 ¹	459,007 54 ¹
Total corporate surplus	\$238,977 17¹	\$990,687 99¹	\$515,790 80¹
Total credits	\$71,398,013 27	\$72,407,563 41	\$75,128,231 83

¹ Debit.

INCOME STATEMENT.

	Twelve Months ending Dec. 31, 1921.	Twelve Months ending Dec. 31, 1920.	Twelve Months ending Dec. 31, 1919.
OPERATING INCOME.			
Passenger revenue	\$32,237,396 47	\$33,096,763 69	\$28,752,675 38
Special car revenue	16,233 12	12,182 79	14,868 73
Mail revenue	578 98	737 10	722 24
Express revenue	44,154 94	88,657 99	89,002 98
Miscellaneous transportation revenue	3,838 20	4,383 17	3,001 85
Total revenue from transportation	\$32,302,201 71	\$33,202,724 74	\$28,860,271 18
Station and car privileges	\$305,937 96	\$300,228 32	\$293,871 62
Rent of tracks and facilities	26,051 00	39,059 11	41,477 20
Rent of equipment	1,659 83	1,644 27	5,209 45
Rent of buildings and other property	111,951 20	100,499 45	82,514 36
Power	84,932 67	92,192 00	46,349 33
Miscellaneous	20,318 76	14,514 61	74,898 45
Total revenue from other railway operations	\$550,851 42	\$548,137 76	\$544,320 41
Total railway operating revenues	\$32,853,053 13	\$33,750,862 50	\$29,404,591 59
Railway operating expenses:			
Way and structures	\$3,021,844 18	\$3,226,275 11	\$3,783,715 35
Equipment	4,470,357 23	4,033,850 42	4,290,039 81
Power	2,532,500 73	4,568,991 90	2,980,658 59
Conducting transportation	10,752,382 64	11,524,823 18	10,530,882 29
Traffic	2,401 23	3,357 91	4,758 03
General and miscellaneous	2,063,570 98	2,411,823 59	2,110,285 34
Total railway operating expenses	\$22,843,056 99	\$25,769,122 11	\$23,700,339 41
Per cent of operating expenses to operating revenues	69.53	76.35	80.60
Per cent of operating expenses to operating and non-operating income.	68.65	75.72	80.34
Net revenue, railway operations	\$10,009,996 14	\$7,981,740 39	\$5,704,252 18
Taxes assignable to railway operations	\$1,546,758 15	\$1,142,987 28	\$1,045,502 36
Operating income	\$8,463,237 99	\$6,838,753 11	\$4,658,749 82
NON-OPERATING INCOME.			
Income from lease of road	\$823 40	\$823 40	\$823 40
Dividend income	9,180 00	9,180 00	9,180 00
Income from funded securities	4,503 41	6,356 89	6,289 50
Income from unfunded securities and accounts	375,158 65	233,379 60	42,853 06
Income from sinking fund and other reserves	33,280 00	28,853 33	33,280 00
Miscellaneous income	1,026 94	2,180 72	1,565 27
Total non-operating income	\$423,972 40	\$280,773 94	\$93,991 23
Gross income	\$8,887,210 39	\$7,119,527 05	\$4,752,741 05

INCOME STATEMENT — *Concluded.*

	Twelve Months ending Dec. 31, 1921.	Twelve Months ending Dec. 31, 1920.	Twelve Months ending Dec. 31, 1919.
DEDUCTIONS FROM GROSS INCOME.			
Rent for leased roads:			
West End Street Railway Company	\$2,630,780 24	\$2,590,258 15	\$2,540,892 94
West End Street Railway Company, Tremont Street subway.	182,512 32	177,686 09	176,545 11
Other roads	48,914 48	48,303 71	57,793 99
Total rent for leased roads	\$2,862,207 04	\$2,816,247 95	\$2,775,232 04
Miscellaneous rents	1,781,225 46	1,612,746 21	1,339,501 90
Net loss on miscellaneous physical property	6,959 96	9,325 77	7,986 10
Interest on funded debt	1,292,800 00	1,307,018 75	1,309,477 08
Interest on unfunded debt	201,458 43	207,945 23	246,312 98
Amortization of discount on funded debt	31,468 08	34,860 38	44,290 46
Miscellaneous debits	16,279 55	14,881 50	8,070 37
Total deductions from gross income	\$6,192,398 52	\$6,003,025 79	\$5,730,870 93
Net income transferred to credit of profit and loss	\$2,694,811 87	\$1,116,501 26	\$978,129 88 ¹
Dividends — Boston Elevated Railway Company	1,523,367 00	1,463,668 50	1,403,970 00
Balance after cost of service	\$1,171,444 87	\$347,167 24¹	\$2,382,099 88¹

¹ Deficit.

OPERATING EXPENSE ACCOUNTS.

	1921.	1920.	1919.
WAY AND STRUCTURES.			
Superintendence of way and structures	\$211,850 11	\$194,428 55	\$189,806 92
Maintenance of track and roadway (except snow and ice)	1,724,134 42	1,642,612 96	2,784,370 28
Removal of snow and ice	63,460 07	615,548 70	18,549 67
Roadway structures	96,630 14	79,253 48	78,838 28
Signal and telephone and telegraph lines	23,370 33	45,728 82	40,125 98
Other miscellaneous way expenses	14,012 13	19,163 99	80,608 36
Maintenance of electric line equipment	278,348 00	264,490 05	251,258 31
Maintenance of buildings, fixtures and grounds	335,038 98	348,048 56	296,957 55
Depreciation of way and structures	275,000 00	17,000 00	43,200 00
Total way and structures	\$3,021,844 18	\$3,226,275 11	\$3,783,715 35
EQUIPMENT.			
Superintendence of equipment	\$142,844 54	\$136,169 08	\$130,546 65
Maintenance of cars	1,640,767 49	1,699,568 11	1,550,450 88
Maintenance of electrical equipment of cars	628,477 20	804,309 30	593,667 37
Shop expenses	275,822 05	326,959 57	272,509 31
Miscellaneous equipment, vehicles, horses, etc.	53,445 95	44,844 36	38,545 60
Depreciation of equipment	1,729,000 00	1,022,000 00	1,704,320 00
Total equipment	\$4,470,357 23	\$4,033,850 42	\$4,290,039 81
POWER.			
Superintendence of power	\$79,834 66	\$85,059 57	\$78,597 01
Maintenance of power plants	337,746 70	457,635 12	328,835 05
Depreciation of power plant buildings and equipment	-	965,000 00	256,480 00
Operation of power plants	2,114,919 37	3,061,297 21	2,316,746 53
Total power	\$2,532,500 73	\$4,568,991 90	\$2,980,658 59
CONDUCTING TRANSPORTATION.			
Superintendence of transportation	\$990,478 82	\$1,008,465 02	\$870,231 52
Passenger conductors, motormen and trainmen	7,041,863 84	7,646,971 90	6,858,788 30
Freight conductors, motormen and trainmen	12,150 78	15,715 67	20,450 89
Miscellaneous car service employees	311,922 91	296,455 06	267,635 58
Miscellaneous car service expenses	155,427 67	206,948 02	236,186 71
Station employees	720,736 44	735,178 90	819,994 25
Station expenses	183,938 93	219,632 87	199,113 10
Car house employees	873,312 15	920,926 65	859,285 35
Car house expenses	59,941 20	75,141 23	75,298 44
Operation of signal and telephone and telegraph lines	221,537 17	214,559 69	168,891 80
Other transportation expenses	181,072 73	184,828 17	155,006 35
Total conducting transportation	\$10,752,382 64	\$11,524,823 18	\$10,530,882 29

OPERATING EXPENSE ACCOUNTS — *Concluded.*

	1921.	1920.	1919.
TRAFFIC.			
Traffic	\$2,401 23	\$3,357 91	\$4,758 03
GENERAL AND MISCELLANEOUS.			
Salaries and expenses of general officers and clerks .	\$412,724 08	\$408,825 79	\$389,588 64
General office supplies and expenses	81,760 91	198,992 05	78,026 75
Law expenses	62,180 47	35,941 44	20,142 84
Relief department, expenses, pensions and gratuities .	60,291 17	43,837 44	34,743 75
Miscellaneous general expenses	75,270 56	75,865 97	68,941 20
Injuries and damages	665,798 02	785,971 56	830,663 98
Insurance	287,406 21	372,849 38	274,052 74
Stationery and printing	92,120 81	108,569 70	82,991 60
Store, garage and stable expenses	286,504 07	350,969 92	294,184 04
Rent of tracks and facilities	24,212 73	13,998 99	13,789 55
Rent of equipment	15,301 95	16,001 35	23,160 25
Total general and miscellaneous	\$2,063,570 98	\$2,411,823 59	\$2,110,285 34
Total operating expenses	\$22,843,056 99	\$25,769,122 11	\$23,700,339 41

TRAFFIC STATISTICS — YEAR ENDING DECEMBER 31.

	1921.	1920.	1919.
Round trips operated	5,778,881	5,770,692	6,588,226
Passenger revenue	\$32,253,629 59	\$33,108,946 48	\$28,767,544 11
Passenger revenue per car mile (cents)	64.89	64.62	53.74
Passenger revenue per car hour	\$7.361	\$7.155	\$6.057
Passenger revenue mileage	49,706,697	51,237,527	53,533,522
Passenger revenue car hours	4,381,815	4,627,295	4,749,318
Revenue passengers carried	337,252,080	335,526,561	324,758,685
Revenue passengers carried per car mile	6.785	6.548	6.066
Revenue passengers carried per car hour	76.97	72.51	68.38

PASSENGER CARS, SURFACE LINES EQUIPMENT, DEC. 31, 1921.

TYPE OF CAR.	Number owned.	Brake Equip- ment.	Truck Equip- ment.	Control Equip- ment.	Seating Capac- ity.
Semi-convertible prepayment type:					
No. 1 Type, 32 feet	40	Air . .	Double .	G. E. M. Type .	48
No. 2 Type, 33¼ feet	37	Air . .	Double .	G. E. Auto .	52
No. 3 Type, 33¼ feet	91	Air . .	Double .	G. E. Auto .	52
No. 4 Type, 34½ feet	47	Air . .	Double .	West. H. L. .	52
No. 4-A Type, 34½ feet	48	Air . .	Double .	West. H. L. .	52
No. 4-A2 Type, 34½ feet	75	Air . .	Double .	G. E. M. . .	52
No. 4-A3 Type, 34½ feet	97	Air . .	Double .	West. H. L. .	52
Spec. Type, 34½ feet	10	Air . .	Double .	G. E. Auto .	52
Total semi-convertible	445				
Center entrance prepayment motor cars	{ 200	Air . .	Double .	G. E. P. C. 5 .	58
	{ 196	Air . .	Double .	W. H.—A-B-P-C	58
Center entrance prepayment trailer cars	220	Air . .	Double .	None . . .	62
Safety type, one man, prepayment .	75	Air . .	Single .	K-10-Q . .	32
Articulated prepayment:					
Double, 20-foot type	39	Air . .	Double .	K	52
Double, 25-foot type	76	Air . .	Quadruple	K	68
Total articulated	115				
Box cars:					
26½-foot (14 are prepayment)	60	Air . .	Double .	K	36
25-foot	292	Hand .	Double .	K	34
24-foot (parlor)	1	Air . .	Double .	M	Chairs
20-foot (parlor)	1	Hand .	Single .	K	Chairs
16-foot (parlor)	1	Hand .	Single .	K	Chairs
Total box cars	355				
Open cars:					
12-bench	42	Hand .	Double .	K	60
9-bench (ambulance car)	1	Hand .	Single .	K and Rheo. .	45
Total open cars	43				
Total surface passenger cars	1,649				

PASSENGER CARS, RAPID TRANSIT LINES.

TYPE OF CAR.	Number owned.	Brake Equip- ment.	Truck Equip- ment.	Control Equip- ment.	Seating Capac- ity.
Elevated cars:					
Wood and steel (4 end and 2 side doors)	112	Air . .	Double .	G. E. Auto .	48
All steel	209	Air . .	Double .	G. E. Auto .	48
Total elevated	321				
Cambridge-Dorchester tunnel (6 side doors).	95	Air . .	Double .	West. A. L. .	72
Total rapid transit lines	416				
Total passenger cars owned . . .	2,065				

OTHER EQUIPMENT.

Newspaper car	1
Service cars (179 surface, 24 rapid transit)	192
Snow ploughs, electric	174
Snow sweepers, electric	14
Electric shovels	2
Snow removers, horse	14
Snow ploughs, horse	2
Snow sleds	544
Miscellaneous vehicles	265
Horses	107
All electric car motors (955 rapid transit, 6,112 surface)	7,067

BOSTON ELEVATED RAILWAY COMPANY,
TRUSTEE.

STATEMENT OF SPECIAL TRUST FUND, DEC. 31, 1921.

Principal of trust fund as established	\$1,500,000 00
Accretions and accumulations of income to Dec. 31, 1921	636,739 89
Total	\$2,136,739 89
Investment in marketable securities and real estate	\$2,130,670 83
Cash	6,069 06
Total	\$2,136,739 89

The above trust fund is held by the Boston Elevated Railway Company under chapter 740, Acts of 1911, — “An Act to authorize the consolidation of properties and franchises of the Boston Elevated Railway Company and the West End Street Railway Company,” — and represents the proceeds from the sale to the Boston Elevated Railway Company of real estate of the West End Street Railway Company which was not required in the conduct of the business. The amount so received (\$1,500,000) is to be held by the Boston Elevated Railway Company and invested by it and allowed to accumulate until the tenth day of June, 1922, when the consolidation of the two companies is to take place. Thereafter the annual income therefrom shall be applied toward the purchase and retirement of the second preferred stock of the Boston Elevated Company. No part of this fund or its income can be used for any other purpose.

ANNUAL REPORT
OF THE
PUBLIC TRUSTEES OF THE BOSTON
ELEVATED RAILWAY

FOR THE
YEAR ENDING DECEMBER 31, 1922

BOSTON
WRIGHT & POTTER PRINTING COMPANY
32 DERNE STREET
1923

ANNUAL REPORT

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FOR THE

YEAR ENDING DECEMBER 31, 1922

BOSTON
WRIGHT & POTTER PRINTING COMPANY
32 DERNE STREET
1923

BOARD OF TRUSTEES.

(Appointed by the Governor of Massachusetts, pursuant to Chapter 159 of the Special Acts of 1918.)

JAMES F. JACKSON, *Chairman.*

WINTHROP COFFIN.

J. FRANK O'HARE.

STANLEY R. MILLER.

SAMUEL L. POWERS.

OFFICERS.

(Appointed by the trustees.)

EDWARD DANA *General Manager.*

HENRY L. WILSON *Treasurer.*

JOHN H. MORAN *General Auditor.*

H. WARE BARNUM *General Counsel.*

RUSSELL A. SEARS *General Claims Attorney.*

REPORT OF THE BOARD OF PUBLIC TRUSTEES OF THE BOSTON ELEVATED RAILWAY.

The public trustees of the Boston Elevated Railway respectfully submit their fourth annual report.

RESULT OF OPERATION.

The fourth calendar year of public operation shows a balance remaining after providing for all costs of service of \$1,545,055.84 after making allowance for delayed charges and credits. In July the trustees, having restored the reserve fund to \$1,000,000 as required by law, paid \$517,196.45 to the cities and towns on account of their loan to meet the deficit of the first year of public operation. The unpaid balance of that loan is now \$3,462,955.22. A substantial surplus is expected to be available next July for the second payment to these cities and towns. The probable amount cannot be definitely stated in view of the well-known sensitiveness of railway costs to climatic conditions and market fluctuations in the commodities which are largely used. The succession of storms during the past six weeks has already cost more than \$200,000. Change of a dollar in price of a ton of coal makes a difference of \$275,000 in operating expense for the year.

When, a year ago, it became known that the railway had reached a self-supporting basis, the news aroused from every quarter demands that had been held in abeyance while the trustees were engaged in the financial struggle against operating losses and for restoration of credit.

The tax-paying public urged the prompt reimbursement of their loan of 1919. This was their right under the statute. A large riding public who were dependent upon small incomes appealed for lower

fares. They, too, had a good cause. An equally large traveling public less interested in fares than in service urged larger accommodation. Restricted in law and still limited in revenue the trustees have endeavored to meet in part each of these public needs. A large payment was made into municipal treasuries in reimbursement of loan. The 5-cent fare has been extended from time to time under the plan adopted for its development. As soon as practicable this service should completely cover transportation between community centers and their adjacent neighborhoods. It must be borne in mind, however, that the 5-cent fare cannot now nor in the future become a general substitute for or an active competitor with the higher basic fare, whether that be as at present, 10 cents, or as it may be later, a lower charge. No substantial invasion of net revenue can be allowed until cities and towns have been reimbursed, nor wherever such invasion would unreasonably postpone reduction in the higher fare.

To meet the request for larger accommodation, additional beneficial changes have been made in operation.

Any radical change in the character of service is ordinarily followed by a period of adaptation on the part of both employee and public and by the removal of avoidable annoyances at first incident to its introduction. Full recognition of the meaning of an improvement cannot be expected until this period has elapsed. A case in point is found in the recent change in service connected with the establishment of train operation between Lechmere Square and Kenmore station. This means quicker service, larger accommodation and a saving of waste mileage, but full appreciation of that fact awaits the perfection of detail in operation and familiarity with the new order of things. It is a long step toward the exclusive use of trains in the subway, which can provide the only quick method for lessening congestion at Park Street.

During the year, with a view to more efficient service, additions have been made to rolling stock. Thirty-six new steel cars for the elevated service have been placed in commission. Additional flat cars and snow sweepers have been purchased. In April 100 semi-convertible cars of the most modern type were ordered and 71 of them are now in use. These cars may be operated by either one man or by two men, are equipped with the latest safety devices, and as a

one-man car are far better adapted to the service than the light weight one-truck Birney type, or any of the two-man cars which have been converted for one-man operation.

Recently 100 more of this type of cars have been ordered for early delivery. For train service in the East Boston tunnel 40 steel cars have been ordered.

During the year approximately 21 miles of track have been rebuilt and $7\frac{1}{2}$ miles improved by substantial repairs.

The new lobby for employees and the storage yard at Salem Street in Medford and the car house at Bennett Street in Cambridge have been completed. The new elevated car repair shop at Forest Hills is about completed and ready for use.

The first unit of the new storehouse at George Street in Charlestown for the use of the maintenance department is nearly complete and the construction of the second unit under way.

Though the railway is not yet in good operating condition, nor accommodations yet at the standard which they are expected to reach, nevertheless material progress has been steadily made toward the goal. It has been understood from the beginning that improvements must be gradual and that effort to bring them about must cover a considerable period of time. Four of the five years that have been named as that period have elapsed.

Any substantial reduction in the 10-cent fare must still await repayment of the loan to cities and towns, and legislation that will remove certain burdens that are unjust to the car rider.

RECEIPTS AND EXPENDITURES.

The following comparative table presents a summary of receipts and expenditures for the past and preceding years:—

Comparative Division of Receipts and Expenditures for Year ending December 31.

	1922.	1921.	1920.	1919.	1918.
Total receipts	\$32,699,176 37	\$33,277,025 53	\$34,031,636 44	\$29,498,582 82	\$21,062,692 82
Operating expenses:					
Wages	\$14,772,340 42	\$15,563,255 53	\$17,216,445 20	\$15,539,105 59	\$11,007,362 35
Material and supplies	2,903,650 98	3,093,934 69	3,310,858 94	3,640,065 60	3,248,317 15
Injuries and damages	555,355 59	518,249 02	640,165 04	701,907 28	792,783 96
Depreciation	2,004,000 00	2,004,000 00	2,004,000 00	2,004,000 00	1,184,670 00
Fuel	1,853,111 76	1,663,617 75	2,597,652 93	1,815,260 94	1,762,963 86
Total operating expenses	\$22,088,458 75	\$22,843,056 99	\$25,769,122 11	\$23,700,339 41	\$17,996,097 32
Taxes	1,587,186 83	1,546,758 15	1,142,987 28	1,045,502 36	917,515 49
Rent of leased roads (including dividend rental under chapter 159, Acts of 1918).	3,646,595 75	4,203,061 72	4,102,230 36	4,002,656 93	3,233,546 13
Subway and tunnel rents	2,008,414 25	1,963,737 78	1,790,432 30	1,516,047 01	1,235,974 55
Interest on borrowed money	1,891,315 57	1,494,258 43	1,514,963 98	1,555,790 06	1,302,157 14
Miscellaneous items	65,016 14	54,707 59	59,067 65	60,346 93	22,343 21
Total cost of service	\$31,286,987 29	\$32,105,580 66	\$34,378,803 68	\$31,880,682 70	\$24,707,633 84
Loss for year	-	-	\$347,167 24	\$2,382,099 88	\$3,644,941 02
Gain for year	\$1,412,189 08	\$1,171,444 87	-	-	-

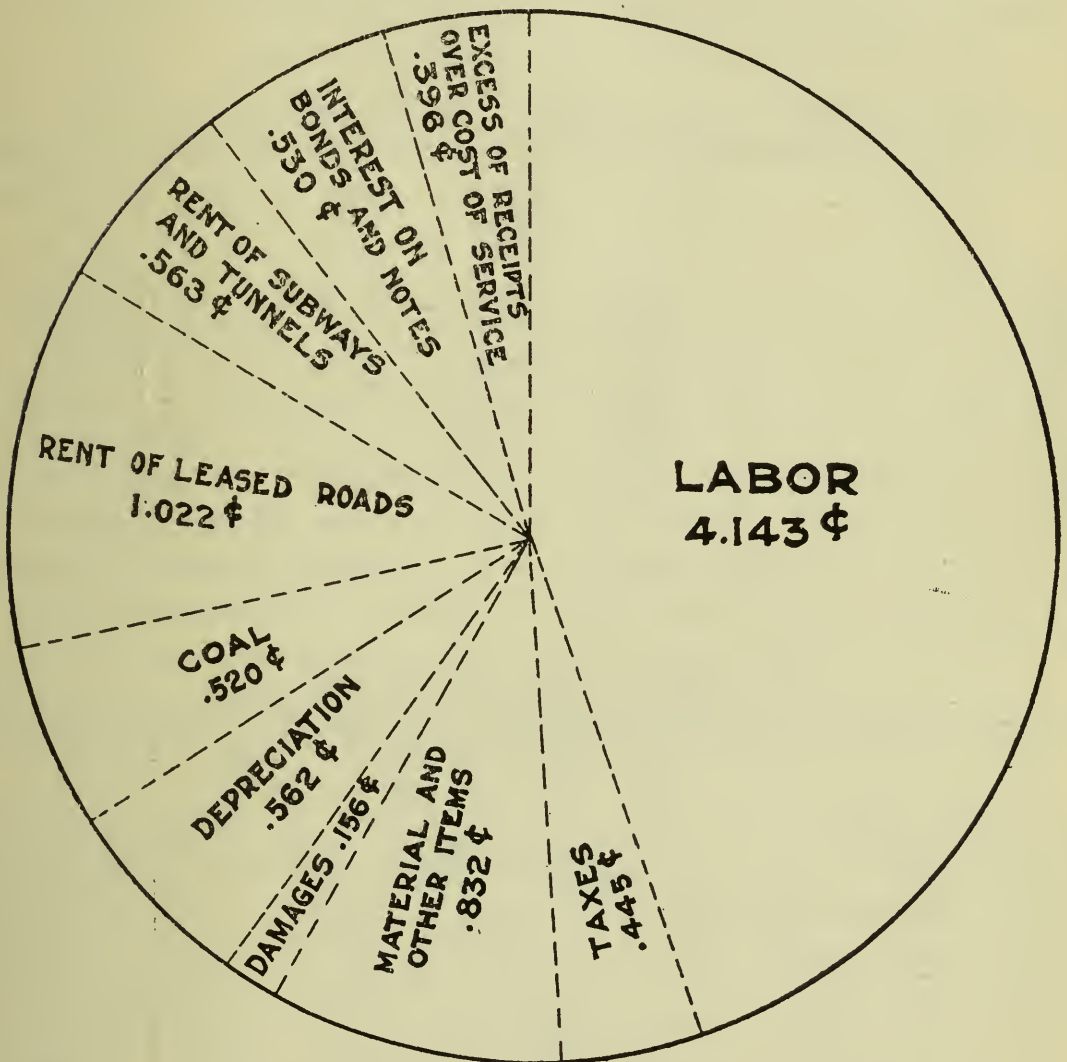
BOSTON ELEVATED RAILWAY

ALLOCATION OF RECEIPTS PER PASSENGER

12 MONTHS ENDING DECEMBER 31, 1922

AVERAGE RECEIPTS PER REVENUE PASSENGER

9.169¢



TRAFFIC.

The following tables show that 19,341,862 more revenue passengers were carried in this year than in last year, and that the total of 356,593,942 is the largest number carried in any year of public operation. This is in part due to the general awakening of business activities and in part to the extension of 5-cent fare routes.

It is significant that whereas there was a substantial gain in week-day traffic there was no similar gain on Sundays or holidays, the days when the use of private automobiles is largest.

The increase of 868,391 miles in car mileage and of 285,947 round trips in comparison with the record of the preceding year measures the increase in the service given.

Comparative Passenger Statistics — Revenue Passengers carried.

YEAR.	Week Day Average.	Saturday Average.	Sunday Average.	Holiday Average.	Total for Year.
1922	1,030,303	1,144,320	617,148	691,890	356,593,942
1921	975,745	1,068,295	578,860	696,691	337,252,080
1920	960,737	1,072,319	591,063	703,634	335,526,561
1919	934,918	1,078,635	596,182	706,429	324,758,685
1918	985,384	1,147,809	658,902	775,634	348,664,700
1917	1,073,943	1,249,588	728,847	857,902	381,017,338
1916	1,050,038	1,218,749	718,804	832,962	373,577,908
1915	992,283	1,140,046	685,726	846,860	352,469,586

Traffic Statistics, Year ending December 31.

	1922.	1921.	1920.	1919.
Round trips operated	6,059,531	5,773,584	5,764,347	6,578,069
Passenger revenue	\$31,834,022 77	\$32,253,629 59	\$33,108,946 48	\$28,767,544 11
Passenger revenue per car mile (cents) .	62.94	64.89	64.62	53.74
Passenger revenue per car hour . . .	\$7 09	\$7 36	\$7 16	\$6 06
Passenger revenue mileage	50,575,088	49,706,697	51,237,527	53,533,522
Passenger revenue car hours	4,487,400	4,381,815	4,627,295	4,749,318
Revenue passengers carried	356,593,942	337,252,080	335,526,561	324,758,685
Revenue passengers carried per car mile .	7.051	6.785	6.548	6.066
Revenue passengers carried per car hour .	79.47	76.97	72.51	68.38

ONE-MAN CARS.

The increasing use of the one-man car on railways throughout the country as a practical economy in operation has been attracting wide attention. A general change to this type of car has undoubtedly rescued some railways from insolvency.

The trustees of the Boston Elevated believe that where there is no compelling need of the most drastic economy the general substitution of the one-man car is not desirable. They are convinced, however, that the one-man car has its proper place upon this railway, as proper as that of the train or the individual two-man car or the motor omnibus; that its use means more frequent service and often makes possible the development of the 5-cent fare. They do not agree that it is suited to conditions of heavy traffic for the reason that its use is then apt to annoy passengers in boarding the car and to interrupt schedules, causing delays that interfere with convenient and efficient service.

POWER.

Owing to the fact that the large generator at South Boston was for a long time in commission at less than its maximum efficiency, it was necessary in order to accommodate the additional traffic to burn a larger amount of coal. It is observable that the maximum hour load in December was greater than in any previous December.

Additional rotary converters have been installed at the stations in Roslindale and East Boston.

The 35,000-kilowatt generator at South Boston has been reconstructed and again placed in service, and a new boiler house and two boilers are under construction at that station.

	1922.	1921.	1920.	1919.	1918.	1917.	1916.
Tons of coal burned .	273,441	215,870	258,087	287,670	281,677	270,452	254,735
Pounds of coal per kilowatt hour.	2.553	2.174	2.353	2.835	2.772	2.309	2.256
Average price of coal per ton.	\$6 777	\$7 71	\$10 07	\$5 91	\$6 26	\$4 19	\$3 35
Net cost of power for car service per kilowatt hour (cents).	1.414	1.172	1.921	1.307	1.158	.620	.534
Net cost of power per total revenue car mile (cents).	6.153	4.815	8.538	5.439	4.668	2.573	2.137
D. C. annual output (kilowatts).	239,905,874	222,461,060	245,676,503	239,892,118	227,582,057	262,343,882	252,896,235
D. C. maximum hour output (kilowatts).	78,755	75,905	72,295	71,760	67,965	79,535	75,380

NEW SHOPS.

The first unit of the modern system of repair shops now under construction at Everett will be ready for use before the end of the present year. No want of facilities has been so conspicuous as that of proper equipment for painting, repairing and maintaining cars. When funds from the sale of the Cambridge subway became available, the work of erecting suitable shops was promptly begun, and with the completion of this first unit a long step will have been taken toward removing the waste and ending the evils of attempting to take care of modern rolling stock with obsolete equipment originally designed for horse car operation.

MAVERICK SQUARE.

The changes at the Maverick Square terminal of the East Boston tunnel are nearing completion. As soon as the work is finished the tunnel will be available at full capacity for operation by train service, and the center entrance cars now in use there will be released for use at other places.

HARVARD SQUARE.

At Harvard Square the work of extending platforms is now in progress and should be complete at an early date. This improvement will bring relief to those who have long suffered from lack of adequate accommodation in boarding outbound cars to North Cambridge and Arlington.

DORCHESTER TUNNEL.

One of the most important railway measures before the Legislature last winter proposed the extension of the rapid transit facilities from Andrew Square to Fields Corner in connection with the purchase or taking of the Shawmut branch of the New York, New Haven & Hartford Railroad. A bill to carry out this plan, based upon the previous study and recommendation of the Department of Public Utilities, is before the present Legislature. The trustees have favored this project as the only one that will effectually relieve the congestion at Andrew Square, where in rush hours passengers crowd the cars and the cars crowd the tracks. Surely large public interests call for the enactment of this bill.

CONSOLIDATION OF WEST END WITH BOSTON ELEVATED.

On the 10th of last June the railway property of the West End Street Railway Company, which had been operated since October, 1897, by the Boston Elevated under lease from the West End, was consolidated with the railway property of the Boston Elevated under the provisions of chapter 740 of the Acts of 1911. The consolidation was effected as provided in the statute by an exchange of the outstanding preferred and common stock of the West End at par for an equal amount at par of first preferred and second preferred stock of the Boston Elevated.

FUTURE DEVELOPMENT.

Though people are naturally most concerned with improvements in present-day facilities, a look into the future is opportune at this time not merely for a vision of transportation possibilities but for the answer that a study of the situation will give to many proposals now being made for changes in existing structures under a shortsighted piece-meal method of developing rapid transit.

At a hearing before the Department of Public Utilities in September, the trustees submitted an outline sketch of possible extensions of service. The plan was suggestive only, was not elaborate in detail, and did not reflect the conclusions of engineering experts. It served its purpose, however, in calling attention to the present need of some comprehensive and harmonious plan to which individual extensions of this railway should hereafter conform.

One feature of the sketch proposes an independent trunk subway in Huntington Avenue which would provide a future extension to the north of Boston. This would bring additional rapid transit where the need is imperative. It would also provide a permanent improvement in place of makeshift changes at Park Street, making the station there less of a terminal station and a more adequate way station. Another feature of the sketch proposes an extension of rapid transit to the north of Boston through use of the Saugus branch of the Boston & Maine Railroad in connection with the elevated line that now has a temporary terminal in Everett.

The Metropolitan Planning Board advocated by the Boston

Chamber of Commerce and recommended by the Department of Public Utilities could achieve much for the public welfare in the study and determination of the proper methods for the development of railway transportation.

JAMES F. JACKSON.
WINTHROP COFFIN.
STANLEY R. MILLER.
J. FRANK O'HARE.
SAMUEL L. POWERS.

JAN. 29, 1923.

CERTIFICATE.

131 STATE STREET, BOSTON, JAN. 29, 1923.

MR. JAMES F. JACKSON, *Chairman*, MR. WINTHROP COFFIN, MR. STANLEY R. MILLER, MR. SAMUEL L. POWERS, MR. J. FRANK O'HARE, *Trustees, Boston Elevated Railway Company, Boston, Mass.*

SIRS: — We have examined the accounts of the Boston Elevated Railway Company for the year ending Dec. 31, 1922, and we report upon the company's financial statements for the year, presented herewith, as follows: —

Road and equipment are shown at book values without adequate provision for depreciation prior to June 30, 1918, but, in our opinion, the depreciation provided for the year under review, in pursuance of the plan for depreciation reserves thereafter adopted by the trustees, is adequate.

The securities owned by the company were produced for our inspection and are carried at cost values, which, in some cases, exceed the market values. We have verified the current assets as shown by the books, and have satisfied ourselves that the liabilities are correctly stated.

We hereby certify that, subject to the foregoing comments, the accompanying balance sheet is in accordance with the books and correctly states the financial condition of the Boston Elevated Railway Company at Dec. 31, 1922; and that the operating results for the year 1922 are fairly presented in the accompanying income statement.

Respectfully submitted,

PATTERSON, TEELE & DENNIS,

Accountants and Auditors.

GENERAL BALANCE SHEET.

DEBITS.	Dec. 31, 1922.	Dec. 31, 1921.	Dec. 31, 1920.
INVESTMENTS.			
Road and equipment:			
Way and structures	\$58,335,275 74	\$34,344,346 80	\$33,478,504 96
Equipment	21,423,224 31	6,503,176 98	5,860,282 11
Power	15,690,017 53	9,330,904 31	9,152,496 45
General and miscellaneous	1,788,473 83	1,768,771 83	1,736,612 62
Total road and equipment	\$97,236,991 41	\$51,947,199 92	\$50,227,896 14
Miscellaneous physical property	\$556,521 48	\$619,319 33	\$864,186 40
Investments in affiliated companies:			
Stocks	\$201,508 72	\$201,509 72	\$201,509 72
Notes	-	4,848,245 21	4,848,245 21
Advances:			
West End Street Railway Company, road and equipment.	-	349,421 95	1,524,170 90
West End Street Railway Company, suspense road and equipment.	-	504,588 16	38,243 59
West End Street Railway Company, current account	-	884,336 34	884,336 34
Other companies, road and equipment	102,851 11	102,852 11	102,852 11
Total investments in affiliated companies	\$304,359 83	\$6,890,953 49	\$7,599,357 87
Other investments:			
Stocks	\$2,552 50	\$2,501 00	\$2,501 00
Notes	125,600 00	86,700 00	91,400 00
Advances, road and equipment:			
Eastern Massachusetts Street Railway Company	142,002 38	120,740 65	84,764 62
Total other investments	\$270,154 88	\$209,941 65	\$178,665 62
Total investments	\$98,368,027 60	\$59,667,414 39	\$58,870,106 03

GENERAL BALANCE SHEET.

CREDITS.	Dec. 31, 1922.	Dec. 31, 1921.	Dec. 31, 1920.
STOCK.			
Capital stock:			
First preferred stock	\$6,400,000 00	-	-
Second preferred stock	14,029,850 00	-	-
Preferred stock	3,000,000 00	\$3,000,000 00	\$3,000,000 00
Common stock	23,879,400 00	23,879,400 00	23,879,400 00
Total capital stock	\$47,309,250 00	\$26,879,400 00	\$26,879,400 00
Premium on capital stock:			
Second preferred stock	\$2,232,477 02	-	-
Common stock	2,707,428 13	\$2,707,428 13	\$2,707,428 13
Total premium on capital stock	\$4,939,905 15	\$2,707,428 13	\$2,707,428 13
Total stock	\$52,249,155 15	\$29,586,828 13	\$29,586,828 13
LONG TERM DEBT.			
Funded debt unmatured:			
Miscellaneous obligations:			
6 per cent, 5-year debenture bonds, due March 1, 1924	\$1,500,000 00	\$1,500,000 00	\$1,500,000 00
7 per cent, 6-year West End Street Railway Company bonds, due Aug. 1, 1924.	1,581,000 00	-	-
6½ per cent, 5-year West End Street Railway Company bonds, due Feb. 1, 1927.	2,700,000 00	-	-
6 per cent, 5-year West End Street Railway Company bonds, due May 1, 1927.	1,956,000 00	-	-
4½ per cent, 20-year West End Street Railway Company bonds, due July 1, 1930.	1,604,000 00	-	-
4 per cent, 30-year West End Street Railway Company bonds, due Aug. 1, 1932.	5,709,000 00	-	-
5 per cent, 20-year West End Street Railway Company bonds, due Nov. 1, 1932.	600,000 00	-	-
4 per cent, 30-year debenture bonds, due May 1, 1935 .	8,500,000 00	8,500,000 00	8,500,000 00
5 per cent, 20-year West End Street Railway Company bonds, due May 1, 1936.	815,000 00	-	-
4½ per cent, 30-year debenture bonds, due Oct. 1, 1937 .	4,800,000 00	4,800,000 00	4,800,000 00
4½ per cent, 30-year debenture bonds, due Nov. 1, 1941	5,000,000 00	5,000,000 00	5,000,000 00
5 per cent, 30-year debenture bonds, due Dec. 1, 1942 .	8,286,000 00	8,286,000 00	8,286,000 00
5 per cent, 30-year West End Street Railway Company bonds, due March 1, 1944.	2,600,000 00	-	-
7 per cent, 30-year West End Street Railway Company bonds, due Sept. 1, 1947.	570,000 00	-	-
Total bonds	\$46,221,000 00	\$28,086,000 00	\$28,086,000 00
Mortgage notes	125,000 00	125,000 00	125,000 00
Total funded debt unmatured	\$46,346,000 00	\$28,211,000 00	\$28,211,000 00
Non-negotiable debt to affiliated companies:			
Open accounts not subject to current settlement:			
West End Street Railway Company, lease account .	-	\$1,207,201	\$1,207,201 98
West End Street Railway Company, cash suspense account.	-	7,746 90	7,746 90
Total non-negotiable debt to affiliated companies	-	\$1,214,948 88	\$1,214,948 88
Total long-term debt	\$46,346,000 00	\$29,425,948 88	\$29,425,948 88

GENERAL BALANCE SHEET — *Concluded.*

DEBITS.	Dec. 31, 1922.	Dec. 31, 1921.	Dec. 31, 1920.
CURRENT ASSETS.			
Cash	\$825,666 20	\$1,320,913 37	\$2,038,490 62
Special deposits:			
Deposits for interest, dividends and rents unpaid . .	\$804,907 37	\$769,146 63	\$788,434 57
Special deposit of reserve fund, chapter 159, Special Acts of 1918.	1,000,000 00	-	-
Total special deposits	\$1,804,907 37	\$769,146 63	\$788,434 57
Loans and notes receivable	1 00	430 98	1 00
Miscellaneous accounts receivable	165,870 47	227,734 19	376,746 97
Material and supplies	2,418,280 09	3,251,416 43	3,687,118 20
Interest, dividends and rents receivable	50,555 56	30,308 96	26,410 07
Other current assets	38,139 00	35,716 13	33,480 52
Total current assets	\$5,303,419 69	\$5,635,666 69	\$6,950,681 95
DEFERRED ASSETS.			
Insurance and other funds	\$3,009,892 17	\$802,550 00	\$802,550 00
Total deferred assets	\$3,009,892 17	\$802,550 00	\$802,550 00
UNADJUSTED DEBITS.			
Rents and insurance premiums paid in advance . .	\$62,701 94	\$129,100 42	\$227,195 73
Discount on funded debt (net)	\$260,251 68	\$291,719 76	\$323,187 84
Other unadjusted debits:			
Cost of service deficit for twelve months ending June 30, 1919, as provided for by reserve fund, chapter 159, Special Acts of 1918.	-	\$688,338 05	\$1,000,000 00
Cost of service deficit for twelve months ending June 30, 1919, as provided for by Commonwealth of Massachusetts, chapter 159, Special Acts of 1918.	\$3,462,955 22	3,980,151 67	3,980,151 67
Other unadjusted debits	553,975 80	203,072 29	253,690 19
Total other unadjusted debits	\$4,016,931 02	\$4,871,562 01	\$5,233,841 86
Total unadjusted debits	\$4,339,884 64	\$5,292,382 19	\$5,784,225 43
Total debits	\$111,021,224 10	\$71,398,013 27	\$72,407,563 41

GENERAL BALANCE SHEET — *Concluded.*

CREDITS.	Dec. 31, 1922.	Dec. 31, 1921.	Dec. 31, 1920.
CURRENT LIABILITIES.			
Loans and notes payable	\$1,800,000 00	\$2,463,372 13	\$3,029,672 74
Audited accounts and wages payable	1,082,533 97	1,208,320 20	2,229,714 66
Matured interest, dividends and rents unpaid	805,112 87	770,352 13	789,640 07
Matured funded debt unpaid	1,000 00	-	-
Accrued interest, dividends and rents payable:			
Accrued interest on funded debt	\$516,001 66	\$216,441 67	\$216,441 67
Accrued interest on loans and notes payable	343 03	1,726 74	3,224 81
Accrued rents, leased roads, West End Street Railway Company.	-	519,834 87	519,834 87
Accrued rents, leased roads, other companies	8,188 90	8,067 30	7,556 67
Accrued rents, subway and tunnels	87,543 30	116,755 02	105,579 46
Accrued interest on unpaid taxes	-	2,896 00	9,170 84
Accrued rents, leased roads, Boston Elevated Railway Company, dividend rental.	245,522 37	-	-
Total accrued interest, dividends and rents payable	\$857,599 26	\$865,721 60	\$861,808 32
Total current liabilities	\$4,546,246 10	\$5,307,766 06	\$6,910,835 79
DEFERRED LIABILITIES.			
Other deferred liabilities	\$38,751 14	\$38,952 50	\$53,159 31
Total deferred liabilities	\$38,751 14	\$38,952 50	\$53,159 31
UNADJUSTED CREDITS.			
Tax liability	\$844,531 22	\$733,233 02	\$397,731 37
Premium on funded debt	\$370,548 58	-	-
Insurance and casualty reserves:			
Insurance reserve	-	-	\$40,382 59
Total insurance and casualty reserves	-	-	\$40,382 59
Operating reserves:			
Injury and damage reserve	\$906,601 92	\$918,042 56	\$988,684 73
Total operating reserves	\$906,601 92	\$918,042 56	\$988,684 73
Accrued depreciation of property	\$2,058,493 73	\$1,503,431 44	\$1,880,997 55
Other unadjusted credits:			
Outstanding tickets and checks	\$102,233 66	\$93,888 66	\$93,733 07
Amount advanced by Commonwealth of Massachusetts under chapter 159, Special Acts of 1918, account of deficit in cost of service for twelve months ending June 30, 1919.	3,462,955 22	3,980,151 67	3,980,151 67
Other unadjusted credits	25,744 90	48,747 52	39,798 31
Total other unadjusted credits	\$3,590,933 78	\$4,122,787 85	\$4,113,683 05
Total unadjusted credits	\$7,771,109 23	\$7,277,494 87	\$7,421,479 29
CORPORATE SURPLUS.			
Profit and loss:			
Balance June 30, 1918	\$173,083 65 ¹	\$238,977 17 ¹	\$184,728 61 ¹
Balance since June 30, 1918	339,521 34	-	805,959 38 ¹
Balance arising out of consolidation with West End Street Railway Company, June 10, 1922.	96,475 21 ¹	-	-
Total corporate surplus	\$69,962 48	\$238,977 17 ¹	\$990,687 99 ¹
Total credits	\$111,021,224 10	\$71,398,013 27	\$72,407,563 41

¹ Debit.

INCOME STATEMENT.

	Twelve Months ending Dec. 31, 1922.	Twelve Months ending Dec. 31, 1921.	Twelve Months ending Dec. 31, 1920.
OPERATING INCOME.			
Passenger revenue	\$31,817,072 46	\$32,237,396 47	\$33,096,763 69
Special car revenue	16,950 31	16,233 12	12,182 79
Mail revenue	391 30	578 98	737 10
Express revenue	50,132 45	44,154 94	88,657 99
Miscellaneous transportation revenue	9,131 66	3,838 20	4,383 17
Total revenue from transportation	\$31,893,678 18	\$32,302,201 71	\$33,202,724 74
Station and car privileges	\$310,830 35	\$305,937 96	\$300,228 32
Rent of tracks and facilities	29,706 88	26,051 00	39,059 11
Rent of equipment	3,705 20	1,659 83	1,644 27
Rent of buildings and other property	112,829 09	111,951 20	100,499 45
Power	81,004 13	84,932 67	92,192 00
Miscellaneous	21,079 96	20,318 76	14,514 61
Total revenue from other railway operations	\$559,155 61	\$550,851 42	\$548,137 76
Total railway operating revenues	\$32,452,833 79	\$32,853,053 13	\$33,750,862 50
Railway operating expenses:			
Way and structures	\$3,335,892 96	\$3,021,844 18	\$3,226,275 11
Equipment	3,333,241 54	4,470,357 23	4,033,850 42
Power	3,261,918 91	2,532,500 73	4,568,991 90
Conducting transportation	10,040,831 82	10,752,382 64	11,524,823 18
Traffic	3,032 88	2,401 23	3,357 91
General and miscellaneous	2,145,070 71	2,063,570 98	2,411,823 59
Transportation for investment	31,530 07 ¹	-	-
Total railway operating expenses	\$22,088,458 75	\$22,843,056 99	\$25,769,122 11
Per cent of operating expenses to operating revenues	68.06	69.53	76.35
Per cent of operating expenses to operating and non-operating income.	67.55	68.65	75.72
Net revenue, railway operations	\$10,364,375 04	\$10,009,996 14	\$7,981,740 39
Taxes assignable to railway operations	1,587,186 83	\$1,546,758 15	\$1,142,987 28
Operating income	\$8,777,188 21	\$8,463,237 99	\$6,838,753 11
NON-OPERATING INCOME.			
Income from lease of road	\$823 40	\$823 40	\$823 40
Dividend income	9,181 75	9,180 00	9,180 00
Income from funded securities	5,147 62	4,503 41	6,356 89
Income from unfunded securities and accounts	196,030 85	375,158 65	233,379 60

¹ Credit.

INCOME STATEMENT — *Concluded.*

	Twelve Months ending Dec. 31, 1922.	Twelve Months ending Dec. 31, 1921.	Twelve Months ending Dec. 31, 1920.
NON-OPERATING INCOME—Con.			
Income from sinking fund and other reserves	\$33,280 00	\$33,280 00	\$28,853 33
Miscellaneous income	1,878 96	1,026 94	2,180 72
Total non-operating income	\$246,342 58	\$423,972 40	\$280,773 94
Gross income	\$9,023,530 79	\$8,887,210 39	\$7,119,527 05
DEDUCTIONS FROM GROSS INCOME.			
Rent for leased roads:			
West End Street Railway Company	\$1,184,360 67	\$2,630,780 24	\$2,590,258 15
West End Street Railway Company, Tremont Street subway.	81,263 66	182,512 32	177,686 09
Other roads	49,119 85	48,914 48	48,303 71
Boston Elevated Railway Company, dividend rental	2,413,115 23	—	—
Total rent for leased roads	\$3,727,859 41	\$2,862,207 04	\$2,816,247 95
Miscellaneous rents	1,927,150 59	1,781,225 46	1,612,746 21
Net loss on miscellaneous physical property	8,732 53	6,959 96	9,325 77
Interest on funded debt	1,831,394 45	1,292,800 00	1,307,018 75
Interest on unfunded debt	59,921 12	201,458 43	207,945 23
Amortization of discount on funded debt	31,468 08	31,468 08	34,860 38
Miscellaneous debits	24,815 53	16,279 55	14,881 50
Total deductions from gross income	\$7,611,341 71	\$6,192,398 52	\$6,003,025 79
Net income transferred to credit of profit and loss	—	\$2,694,811 87	\$1,116,501 26
Dividends, Boston Elevated Railway Company	—	1,523,367 00	1,463,668 50
Balance after cost of service	\$1,412,189 08	\$1,171,444 87	\$347,167 24¹

¹ Deficit.

OPERATING EXPENSE ACCOUNTS.

	1922.	1921.	1920.
WAY AND STRUCTURES.			
Superintendence of way and structures	\$210,733 57	\$211,850 11	\$194,428 55
Maintenance of track and roadway (except snow and ice)	1,615,411 69	1,724,134 42	1,642,612 96
Removal of snow and ice	103,291 10	63,460 07	615,548 70
Roadway structure	99,612 69	96,630 14	79,253 48
Signal and telephone and telegraph lines	22,134 98	23,370 33	45,728 82
Other miscellaneous way expenses	20,846 29	14,012 13	19,163 99
Maintenance of electric line equipment	261,353 24	278,348 00	264,490 05
Maintenance of buildings, fixtures and grounds	381,269 40	335,038 98	348,048 56
Depreciation of way and structures	621,240 00	275,000 00	17,000 00
Total way and structures	\$3,335,892 96	\$3,021,844 18	\$3,226,275 11
EQUIPMENT.			
Superintendence of equipment	\$138,091 81	\$142,844 54	\$136,169 08
Maintenance of cars	1,537,888 99	1,640,767 49	1,699,568 11
Maintenance of electrical equipment of cars	556,663 00	628,477 20	804,309 30
Shop expenses	260,432 60	275,822 05	326,959 57
Miscellaneous equipment, vehicles, horses, etc.	58,605 14	53,445 95	44,844 36
Depreciation of equipment	781,560 00	1,729,000 00	1,022,000 00
Total equipment	\$3,333,241 54	\$4,470,357 23	\$4,033,850 42
POWER.			
Superintendence of power	\$82,017 24	\$79,834 66	\$85,059 57
Maintenance of power plants	346,884 10	337,746 70	457,635 12
Depreciation of power plant buildings and equipment	601,200 00	—	965,000 00
Operation of power plants	2,231,817 57	2,114,919 37	3,061,297 21
Total power	\$3,261,918 91	\$2,532,500 73	\$4,568,991 90
CONDUCTING TRANSPORTATION.			
Superintendence of transportation	\$970,988 98	\$990,478 82	\$1,008,465 02
Passenger conductors, motormen and train men	6,442,707 49	7,041,863 84	7,646,971 90
Freight conductors, motormen and trainmen	13,967 87	12,150 78	15,715 67
Miscellaneous car service employees	278,650 32	311,922 91	296,455 06
Miscellaneous car service expenses	142,702 09	155,427 67	206,948 02
Station employees	720,977 04	720,736 44	735,178 90
Station expenses	209,368 86	183,938 93	219,632 87
Car house employees	803,570 03	873,312 15	920,926 65
Car house expenses	56,782 25	59,941 20	75,141 23
Operation of signal and telephone and telegraph lines	210,814 74	221,537 17	214,559 69
Other transportation expenses	190,302 15	181,072 73	184,828 17
Total conducting transportation	\$10,040,831 82	\$10,752,382 64	\$11,524,823 18

OPERATING EXPENSE ACCOUNTS — *Concluded.*

	1922.	1921.	1920.
TRAFFIC.			
Traffic	\$3,032 88	\$2,401 23	\$3,357 91
GENERAL AND MISCELLANEOUS.			
Salaries and expenses of general officers and clerks .	\$400,528 25	\$412,724 08	\$408,825 79
General office supplies and expenses	77,789 71	81,760 91	198,992 05
Law expenses	44,712 34	62,180 47	35,941 44
Relief department expenses, pensions and gratuities .	94,365 35	60,291 17	43,837 44
Miscellaneous general expenses	70,121 41	75,270 56	75,865 97
Injuries and damages	692,800 52	665,798 02	785,971 56
Insurance	290,157 08	287,406 21	372,849 38
Stationery and printing	121,134 97	92,120 81	108,569 70
Store, garage and stable expenses	309,172 83	286,504 07	350,969 92
Rent of tracks and facilities	23,275 28	24,212 73	13,998 99
Rent of equipment	21,012 97	15,301 95	16,001 35
Total general and miscellaneous	\$2,145,070 71	\$2,063,570 98	\$2,411,823 59
Transportation for investment	\$31,530 07 ¹	—	—
Total operating expenses	\$22,088,458 75	\$22,843,058 99	\$25,769,122 11

¹ Credit.

PASSENGER CARS OWNED DECEMBER 31, 1922.

Surface Lines.

Semi-convertible cars	445
Semi-convertible cars, new one or two man	71
Center entrance cars	396
Trailer cars	220
One-man cars	75

Articulated cars:

20-foot type	24
25-foot type	71

Total articulated cars	95
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Box cars:

26½-foot	60
25-foot	210
24-foot (parlor)	1
20-foot (parlor)	1

Total box cars	272
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Open cars, 9-bench	1
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Total surface passenger cars	1,575
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Rapid Transit Lines.

Elevated cars, wood and steel	99
Elevated cars, steel	227
Cambridge subway cars, steel	95

Total rapid transit passenger cars	421
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Grand total	1,996
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BOSTON ELEVATED RAILWAY COMPANY,
TRUSTEE.

STATEMENT OF SPECIAL TRUST FUND, DEC. 31, 1922.

Principal of trust fund as established	\$1,500,000 00
Accretions and accumulations of income to June 10, 1922	707,342 17
Total special trust fund	\$2,207,342 17
Income from June 10, 1922, to Dec. 31, 1922	\$20,112 98
Investment in marketable securities and real estate	\$2,207,242 78
Cash on deposit	\$20,212 37

The above trust fund is held by the Boston Elevated Railway Company under chapter 740, Acts of 1911, — “An Act to authorize the consolidation of properties and franchises of the Boston Elevated Railway Company and the West End Street Railway Company,” — and represents the proceeds from the sale to the Boston Elevated Railway Company of real estate of the West End Street Railway Company which was not required in the conduct of the business. The amount so received (\$1,500,000) has been held by the Boston Elevated Railway Company and invested by it and allowed to accumulate until the tenth day of June, 1922. Hereafter the annual income therefrom will be applied toward the purchase and retirement of the second preferred stock of the Boston Elevated Railway Company. No part of this fund or its income can be used for any other purpose.

ANNUAL REPORT

OF THE

PUBLIC TRUSTEES OF THE BOSTON ELEVATED RAILWAY

FOR THE

YEAR ENDING DECEMBER 31, 1923

ANNUAL REPORT

OF THE

PUBLIC TRUSTEES OF THE BOSTON ELEVATED RAILWAY

FOR THE

YEAR ENDING DECEMBER 31, 1923

BOARD OF TRUSTEES

* (Appointed by the Governor of Massachusetts, pursuant to
Chapter 159 of the Special Acts of 1918.)

JAMES F. JACKSON, *Chairman.*

WINTHROP COFFIN.

J. FRANK O'HARE.

STANLEY R. MILLER.

SAMUEL L. POWERS.

OFFICERS

(Appointed by the Trustees.)

EDWARD DANA *General Manager.*

HENRY L. WILSON *Treasurer.*

JOHN H. MORAN *General Auditor.*

H. WARE BARNUM *General Counsel.*

RUSSELL A. SEARS *General Claims Attorney.*

REPORT OF THE BOARD OF PUBLIC TRUSTEES OF THE BOSTON ELEVATED RAILWAY.

The public trustees of the Boston Elevated Railway respectfully submit their fifth annual report.

RESULTS OF OPERATION.

The fifth calendar year of public operation showed a balance after providing for all costs of service and after making allowance for delayed charges and credits of \$399,926.41.

In July, 1923, the Trustees turned over to the Commonwealth \$1,114,557.82 for distribution to the cities and towns which contributed to the loan assessment to meet the deficit of the first year of public operation. The details of the distribution of this amount and of the balance of \$2,348,397.40 still due the municipalities on this loan are shown in a statement annexed to this report.

Owing to the increase in labor cost that followed the arbitration award of October which was retroactive to July 1, 1923, the cost of service during the last six months has shown a substantial increase. This increase in wage has made it necessary to call upon the Reserve Fund to help meet the cost of the service. On January 1, 1924, therefore the balance in the Reserve Fund was \$624,889.93.

The past calendar year was the largest in gross receipts and passengers carried in the experience of the railway under either private management or public control.

The increasing usefulness of the system is indicated by the following figures showing the riding per capita of population in the territory served by the railway:—

Revenue Rides per Capita.

1923		320
1918		300
1913		298
1908		277
1903		262

Notwithstanding the astounding increase in use of automobiles, the passing of the open cars and the increase in fares necessary to meet the increased cost of operation, the people served by this railway take on the average 20 rides a year more than in 1918 and 58 rides a year more than in 1903.

RECEIPTS AND EXPENDITURES.

The following comparative tables present a summary of receipts and expenditures for the past and preceding years and the allocation of receipts per passenger for the twelve months ending December 31, 1923: —

Comparative Division of Receipts and Expenditures for Year ending December 31.

	1923.	1922.	1921.	1920.	1919.
Total receipts	\$34,096,813 26	\$32,699,176 37	\$33,277,025 53	\$34,031,636 44	\$29,498,582 82
Operating expenses:					
Wages	\$16,224,275 94	\$14,772,340 42	\$15,563,255 53	\$17,216,445 20	\$15,539,105 59
Material and supplies	3,236,805 32	2,903,650 98	3,093,934 69	3,310,858 94	3,640,065 60
Injuries and damages	822,775 24	555,355 59	518,249 02	640,165 04	701,907 28
Depreciation	2,004,000 00	2,004,000 00	2,004,000 00	2,004,000 00	2,004,000 00
Fuel	1,842,396 91	1,853,111 76	1,663,617 75	2,597,652 93	1,815,260 94
Total operating expenses	\$24,130,253 41	\$22,088,458 75	\$22,843,056 99	\$25,769,122 11	\$23,700,339 41
Taxes	1,688,139 91	1,587,186 83	1,546,758 15	1,142,987 28	1,045,502 36
Rent of leased roads (including dividend rental under chapter 159, Acts of 1918).	3,185,577 67	3,646,595 75	4,203,061 72	4,102,230 36	4,002,656 93
Subway and tunnel rents	2,026,936 52	2,008,414 25	1,963,737 78	1,790,432 30	1,516,047 01
Interest on bonds and notes	2,316,026 54	1,891,315 57	1,494,258 43	1,514,963 98	1,555,790 06
Miscellaneous items	70,247 65	65,016 14	54,707 59	59,067 65	60,346 93
Total cost of service	\$33,417,181 70	\$31,286,987 29	\$32,105,580 66	\$34,378,803 68	\$31,880,682 70
Loss for year	-	-	-	\$347,167 24	\$2,382,099 88
Gain for year	\$679,631 56	\$1,412,189 08	\$1,171,444 87	-	-

Profit and Loss Items not included in above.

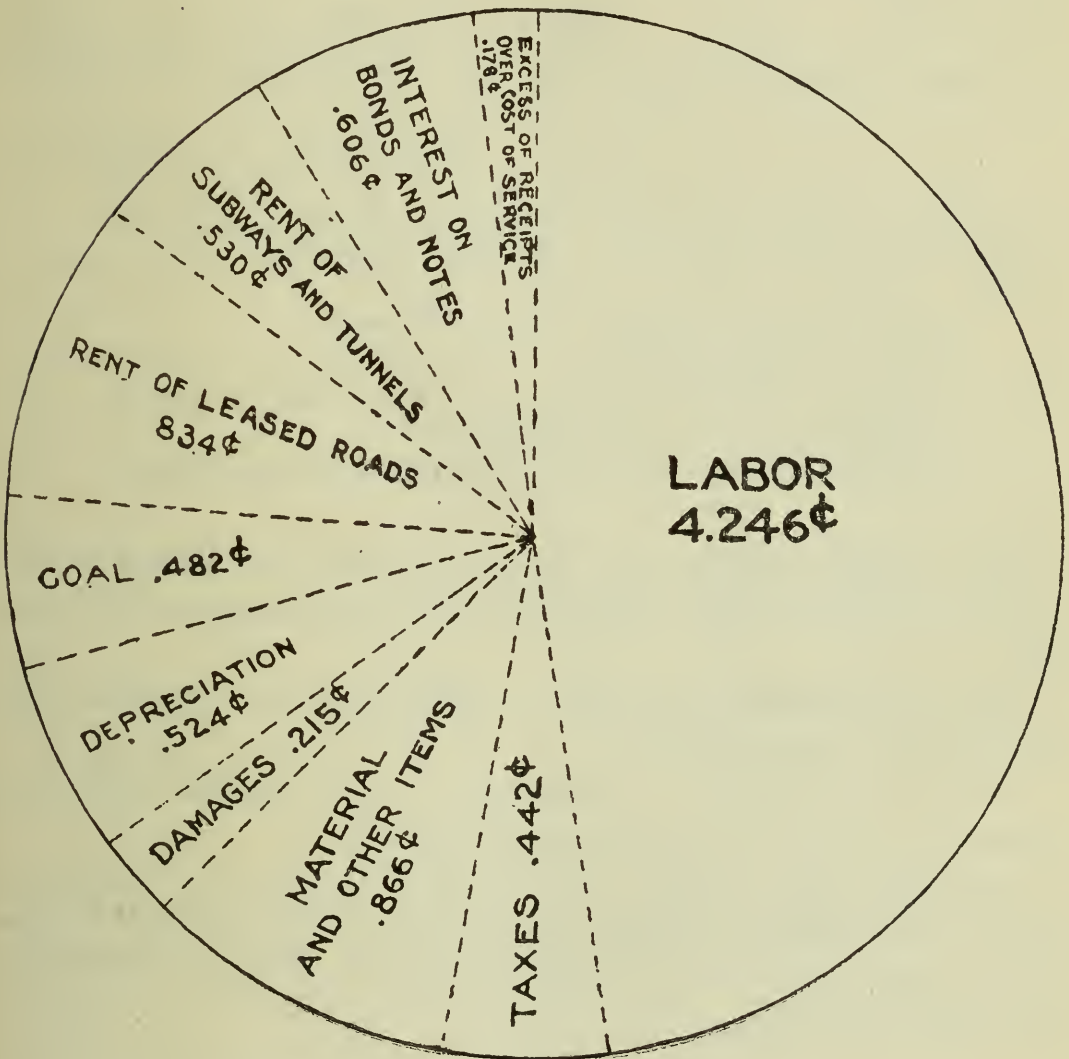
BOSTON ELEVATED RAILWAY

ALLOCATION OF RECEIPTS PER PASSENGER

12 MONTHS ENDING DECEMBER 31, 1923.

AVERAGE RECEIPTS PER REVENUE PASSENGER

8.923¢



TRAFFIC.

The following tables show that 25,555,755 more revenue passengers were carried in 1923 than in 1922, representing a 7.17 per cent increase, and a total of 382,149,697 revenue passengers, the maximum number ever carried on this railway in any one year.

There were 98,384,650 passengers who paid a five-cent fare, an average for the year of 25.75 per cent of the traffic. In December the percentage had reached approximately 27 per cent of all passengers carried.

There was an increase of 3,474,577 car miles operated as well as an increase of 428,551 round trips operated compared with previous year.

During the year the southern terminus of the Lechmere train service was transferred from Broadway to Kenmore Station.

The following bus lines were placed in operation: —

Highland Avenue, Malden, to Malden Square.

Linden to Malden Square.

Fellsway and Riverside Avenue, Medford, to Medford Square.

Medford Square to Medford Hillside.

East Boston Ferry via Hanover Street to Haymarket Square.

The extended platform for North Cambridge and Arlington cars at Harvard Square with electric indicator signs was placed in operation.

Night cars formerly operated to Adams Square were transferred to the Tremont Street Subway.

For the convenience of passengers an information booth was opened at the Park Street Station in December.

In further aid to patrons an information service has been established at the Executive offices of the railway, where patrons, by telephone, may secure, at any hour of the day or night, information respecting the service.

Traffic Statistics, Year ending December 31.

	1923.	1922.	1921.	1920.
Round trips operated	6,488,082	6,059,531	5,773,584	5,764,347
Passenger revenue	\$33,297,951 50	\$31,834,022 77	\$32,253,629 59	\$33,108,946 48
Passenger revenue per car mile (cents) .	61.61	62.94	64.89	64.62
Passenger revenue per car hour . .	\$5 71 ¹	\$7 09	\$7 36	\$7 16
Passenger revenue mileage	54,049,665 ²	50,575,088	49,706,697	51,237,527
Passenger revenue car hours	5,826,993 ¹	4,487,400	4,381,815	4,627,295
Revenue passengers carried	382,149,697	356,593,942	337,252,080	335,526,561
Revenue passengers carried per car mile	7.070	7.051	6.785	6.548
Revenue passengers carried per car mile .	65.58 ¹	79.47	76.97	72.51

¹ Car hours, American Electric Railway Association Standard, adopted February 1, 1923.

² Including motor bus mileage 465,382.

Comparative Passenger Statistics — Revenue Passengers carried.

YEAR.	Week Day Average	Saturday Average.	Sunday Average.	Holiday Average.	Total for Year.
1923	1,109,274	1,196,301	652,404	753,915	382,149,697
1922	1,030,303	1,144,320	617,148	691,890	356,593,942
1921	975,745	1,068,295	578,860	696,691	337,252,080
1920	960,737	1,072,319	591,063	703,634	335,526,561
1919	934,918	1,078,635	596,182	706,429	324,758,685
1918	985,384	1,147,809	658,902	775,634	348,664,700
1917	1,073,943	1,249,588	728,847	857,902	381,017,338
1916	1,050,038	1,218,749	718,804	832,962	373,577,908
1915	992,283	1,140,046	685,726	846,860	352,469,586

BETTERMENTS.

The first unit of the modern repair shops under construction at Everett was ready for use and the painting work done at Amory Street and at Eagle Street transferred to it on December 26, 1923. Within a few weeks all of the repair work done at the Bartlett Street shop in Roxbury will be transferred to Everett.

This change is the first step in eliminating the waste of attempting to care for modern rolling stock in quarters originally designed for horse cars.

Work is nearing completion in the construction of the Maverick

Square Terminal in East Boston, and it is expected that within a short time the steel trains will be in operation between Bowdoin Square and Maverick Square. This improvement increases the maximum carrying capacity of the East Boston Tunnel in rush hours 136 per cent.

The daily traffic through the East Boston Tunnel in 1905 was 33,118, and in 1923, 78,970, indicating the rapidity of increase in travel and the need for train operation to meet it.

The new George Street storehouse for supplies of the Maintenance Department and the Elevated Road Department was completed in the early part of the year. Additional yard tracks and scales were installed to facilitate handling and storing of material. These changes permit a systematic station system and mean a considerable economy.

At the Forest Hills Terminal the elevated inspection shop and lobby for the trainmen is now finished and in operation, and substantial progress has been made in the development of the carhouse yard and facilities for repair of surface cars.

An extension of the platform and waiting room facilities at the Everett surface car terminal has been completed.

Changes have been made at Lechmere Terminal to improve interchange conditions at this point.

The construction of a transfer station at Neponset to be used jointly with the Eastern Massachusetts has been nearly completed.

Continued progress has been made in replacement of old type signals on the elevated from the Washington Street Tunnel to Dudley Street, and this improvement is now in progress between Dudley Street and Forest Hills.

During the year 19.274 miles of track were rebuilt and 6.344 repaired.

CARS.

During the year 184 new surface cars were placed in service.

Delivery of 50 additional new surface cars of the one-man, two-man type are expected to be made in a few weeks.

The 40 steel East Boston Tunnel cars unique in design and appointment were delivered during the year and their equipment for service is well advanced. The opening of the East Boston Tunnel Station at Maverick Square may be expected early in April.

The number of car defects per 1,000 miles in 1922 was 1.14 and in 1923 it was .79.

The number of cars held out of service for repairs has been reduced to 6 per cent of the total rolling stock, as compared with 18 per cent in 1918.

During the year 1923 only 7.3 per cent of the mileage was operated with the articulated type and box cars, as compared with 50 per cent operated with this type of equipment in 1918. All of these cars should soon disappear.

PASSENGER CARS OWNED DECEMBER 31, 1923.

Surface Lines.

Semi-convertible cars	445
Semi-convertible cars, new one or two man	255
Center entrance cars	396
Trailer cars	220
One-man cars	59
Articulated cars (25-foot type)	52
Box cars:	
26½-foot	60
25-foot	141
24-foot (parlor)	1
20-foot (parlor)	1
Total box cars	203
Total surface passenger cars	1,630

Rapid Transit Lines.

Elevated cars, wood and steel	99
Elevated cars, steel	227
Cambridge Subway cars, steel	95
East Boston Tunnel cars, steel	40
Total rapid transit passenger cars	461
Grand Total	2,091

POWER.

On May 31 the new boiler room and two 1,825 horse power boilers were placed in operation at the South Boston Power Station.

An additional 35,000-kilowatt turbo-generator with condenser equipment and the extension to the present turbine room at the South Boston Power Station has been under construction, and it is expected that this large generator will be in operation within a few weeks.

Through the introduction of the modern boilers at South Boston, as well as the introduction of the new light weight cars, — notwithstanding an increase of 3,474,577 miles and of 25,555,755 passengers carried, — the number of tons of coal burned was 13,409 tons less than last year.

	1923.	1922.	1921.	1920.	1919.	1918.	1917.
Tons of coal burned .	260,032	273,441	215,870	258,087	287,670	281,677	270,452
Pounds of coal per kilowatt hour.	2.264	2.553	2.174	2.353	2.835	2.772	2.309
Average price of coal per ton.	\$7 085	\$6 777	\$7 71	\$10 07	\$5 91	\$6 26	\$4 19
Net cost of power for car service per kilowatt hour (cents).	1.227	1.414	1.172	1.921	1.307	1.158	.620
Net cost of power per total revenue car mile (cents).	5.468	6.153	4.815	8.538	5.439	4.668	2.573
Direct current annual output (kilowatts).	257,270,357	239,905,874	222,461,060	245,676,503	239,892,118	227,582,057	262,343,882
Direct current maximum hour output (kilowatts).	82,965	78,755	75,905	72,295	71,760	67,965	79,535

HYDE PARK DISTRICT.

In accordance with the provisions of chapter 405 of the Acts of 1923 a lease was taken from the city of Boston of the railway property of the Hyde Park District for a term extending to the end of public control of this railway, and service between Forest Hills and Cleary Square, Hyde Park, with surface cars and a bus service between Mattapan Square and Wolcott Square, Readville, were inaugurated.

DORCHESTER TUNNEL.

Chapter 480 of the Acts of 1923 permits the extension of the rapid transit facilities in the Dorchester District. The acceptance required by the company was given by the Directors of the Boston Elevated Railway Company December 31, 1923. The Transit Department of the city of Boston, which is to construct the extension, is now at work in co-operation with this Board in the preparation of plans for facilities which this railway may lease. The tentative plans provide for a rapid transit terminal point near Peabody Square, and surface car operation via the remainder of the Shawmut Branch to Mattapan.

REAL ESTATE.

On July 1, 1918, when the Trustees took office, the railway owned a large number of obsolete car barns, power houses, and parcels of vacant land upon which car barns formerly stood. There were altogether 53 separate parcels of real estate, assessed for \$2,170,257, no longer necessary for railway purposes. Since July 1, 1918, 44 parcels, assessed for \$1,924,157, of this lot have been sold, and there remain to be sold 9 parcels, assessed for \$246,100.

To the list of salable real estate there have been and will be added from time to time other parcels as new shops and modern car houses are constructed.

OUTLOOK.

Any comprehensive outlook must take in view both betterments in service under existing facilities and the extension of those facilities.

I.

As far as operating cost and operating revenue are concerned it may be safely predicted that at the end of the year closing with the 30th of June next it should be found that receipts have at least been equal to expenditures, so that there should be no deficit to assess on cities and towns served.

It may be asked how this can be realized in view of the fact that the increases in wages during the past year will add approximately two and one-half million dollars to the labor cost for the year ending June 30, 1924, or more than twice the excess of revenue over cost of service for the preceding year.

The answer to this question is that unusual freedom from expense in removal of snow has now continued so long as seemingly to assure a small rather than a large expense for the entire season. Another reason for this faith is belief in the continuance of the increased traffic which has made the past calendar year a record-breaking year in number of passengers carried. This increase marks the practical restoration of traffic lost at first under the 10-cent fare, a restoration due in large part to the introduction of 5-cent fare lines that are now carrying more than one-quarter of the traffic. There are, too, certain economies long in preparation to which reference has already been made from which results are now being obtained for the first time.

It must remain true, that whatever compensating factors may be found, the increased cost of labor will inevitably tend to check the development of additional 5-cent fare lines and improvements in service, and will delay the reimbursement of cities and towns.

II.

In whatever direction one looks there is an imperative need of extensions of the rapid transit system to meet the demands of heavy traffic. The utmost that can be done with the existing subways, tunnels and tracks, that is, with the rapid transit system as now restricted, must fail to bring radical relief from the evils of overloaded cars, tracks and stations.

The Dorchester extension should provide adequate facilities for the district which it reaches, incidentally transforming Andrew Square from an unsuitable transfer terminal into a suitable way station. This undertaking adopts a less expensive and what is believed to be an advanced method of construction in making use of available railroad premises known as the Shawmut Branch of the New York, New Haven & Hartford Railroad. If this policy of making use of available railroad rights of way proves successful, there would seem to be similar possibilities in connection with other extensions, for example, that from the Everett Terminal through use of the Saugus Branch of the Boston & Maine Railroad.

Looking elsewhere to the north, the present transfer station at Lechmere Square, itself part of a decided improvement in the former service between Boston and Cambridge and Somerville, is not fitted to be a permanent transfer station, and while being used as such must fail to satisfy. There should be an extension of rapid transit to some point beyond, where a permanent transfer station can be located that will adequately meet present and future needs.

Looking to the south there should be an extension of rapid transit, either through construction of a subway under Huntington Avenue, with adequate transfer station at its terminus, or according to some other plan, in order to bring real relief to a territory not now properly served and that cannot be so served by any manipulation of existing surface lines.

Far-sighted legislation last winter established a Metropolitan Planning Board, which is already at work upon these and other

problems with zeal and ability. It is believed that the adoption of a comprehensive plan for the orderly and consistent construction of separate trunk lines will provide one harmonious and well-devised system of transportation for Boston and suburban cities and towns.

CAPITAL.

Capital for subways, tunnels, and permanent structures can undoubtedly be secured through municipal investment, to be repaid in rentals by the operating lessee. For them money will be at hand as needed at lowest prices. But immediately in the foreground is the outstanding need of capital for purchase of additional cars, for enlarged power and shop facilities, and other equipment.

Take the need of additional rolling stock. The table attached to this report shows that the Board has continued its policy of replacing obsolete and worn-out cars with modern cars. This has been accomplished largely through the funds provided by the charge for depreciation, but more cars are needed not only to lessen, in certain places, the over-crowding of existing cars but to provide for the natural growth in traffic.

Another immediate need is the completion of proper shop facilities. As stated elsewhere, the first unit of the shops at Everett is now in operation. That will result in a substantial saving in operating expenses. The construction of the other unit, which is a necessary part of this improvement, is now prevented by the lack of capital with which to construct it. A practical and important economy which should be realized at the first possible moment is thus delayed. Additional capital can only be procured by the sale of securities of the Boston Elevated Railway Company, either in the form of stock or bonds.

Can these securities be made salable? At the time the Public Control Act was passed it was believed that with the dividend rate of 6 per cent assured it would be possible to issue new stock and obtain new capital in that way.

Such has not been the case. Quite likely this is due in part to the indefiniteness of the period of public control which under chapter 159 of the Special Acts of 1918 continues until 1928, and thereafter until terminated by act of the Legislature. The investor does not know what action the Legislature may take, and consequently this stock does not hold the position which certainty of return would produce.

This element of doubt also adversely affects the marketing of long-term bonds.

No railway that serves growing communities can mark time. It must move forward with the prosperity of the people who use it, or backward in failure of the purpose of its existence.

The trustees believe that they have reached the point of departure. They have no specific legislation to suggest other than that contained in House Document No. 108 of 1924, but they respectfully insist that in a public undertaking such as this there would seem to be no good reason why those in charge of it should not be able to obtain capital upon the rates that the public pay when the State or municipality is the borrower. They are confident that if this principle is recognized the Legislature will appreciate and provide for the exigencies of the situation.

JAMES F. JACKSON.
WINTHROP COFFIN.
STANLEY R. MILLER.
J. FRANK O'HARE.
SAMUEL L. POWERS.

Boston, Jan. 30, 1924.

Mr. JAMES F. JACKSON, *Chairman*, Mr. WINTHROP COFFIN, Mr. STANLEY R. MILLER, Mr. SAMUEL L. POWERS, Mr. J. FRANK O'HARE, *Trustees, Boston Elevated Railway Company, Boston, Mass.*

SIRS: — We have examined the accounts of the Boston Elevated Railway for the year ending December 31, 1923, and we report upon the railway's financial statements for the year, presented herewith, as follows: —

Road and equipment are shown at book values without adequate provision for depreciation prior to June 30, 1918, but in our opinion the depreciation provided for the year under review, in pursuance of the plan for depreciation reserves thereafter adopted by the trustees, is adequate.

The securities owned by the railway were produced for our inspection and are carried at cost values, which, in some cases, exceed the market values. We have verified the current assets as shown by the books, and have satisfied ourselves that the liabilities are correctly stated.

We hereby certify that, subject to the foregoing comments, the accompanying balance sheet is in accordance with the books and correctly states the financial condition of the Boston Elevated Railway at December 31, 1923; and that the operating results for the year 1923 are fairly presented in the accompanying income statement.

Respectfully submitted,

PATTERSON, TEELE & DENNIS,

Accountants and Auditors.

GENERAL BALANCE SHEET.

DEBITS.	Dec. 31, 1923.	Dec. 31, 1922.	Dec. 31, 1921.
INVESTMENTS.			
Road and equipment:			
Way and structures	\$60,895,143 85	\$58,335,275 74	\$34,344,346 80
Equipment	23,915,042 10	21,423,224 31	6,503,176 98
Power	16,545,809 30	15,690,017 53	9,330,904 31
General and miscellaneous	1,881,601 30	1,788,473 83	1,768,771 83
Total road and equipment	\$103,237,596 55	\$97,235,991 41	\$51,947,199 92
Miscellaneous physical property	\$112,348 82	\$556,521 48	\$619,319 33
Investments in affiliated companies:			
Stocks	-	\$201,508 72	\$201,509 72
Notes	-	-	4,848,245 21
Advances:			
West End Street Railway Company, road and equipment.	-	-	349,421 95
West End Street Railway Company, suspense road and equipment.	-	-	504,588 16
West End Street Railway Company, current account	-	-	884,336 34
Other companies, road and equipment	-	102,851 11	102,852 11
Total investments in affiliated companies	-	\$304,359 83	\$6,890,953 49
Other investments:			
Stocks	\$2,552 50	\$2,552 50	\$2,501 00
Notes	453,200 00	125,600 00	86,700 00
Advances, road and equipment:			
Eastern Massachusetts Street Railway Company	143,562 99	142,002 38	120,740 65
Total other investments	\$599,315 49	\$270,154 88	\$209,941 65
Total investments	\$103,949,260 86	\$98,368,027 60	\$59,667,414 39

GENERAL BALANCE SHEET.

CREDITS.	Dec. 31, 1923.	Dec. 31, 1922.	Dec. 31, 1921.
STOCK.			
Capital stock:			
First preferred stock	\$6,400,000 00	\$6,400,000 00	-
Second preferred stock	13,957,700 00	14,029,850 00	-
Preferred stock	3,000,000 00	3,000,000 00	\$3,000,000 00
Common stock	23,879,400 00	23,879,400 00	23,879,400 00
Total capital stock	\$47,237,100 00	\$47,309,250 00	\$26,879,400 00
Premium on capital stock:			
Second preferred stock	\$2,232,477 02	\$2,232,477 02	-
Common stock	2,707,428 13	2,707,428 13	\$2,707,428 13
Total premium on capital stock	\$4,939,905 15	\$4,939,905 15	\$2,707,428 13
Total stock	\$52,177,005 15	\$52,249,155 15	\$29,586,828 13
LONG TERM DEBT.			
Funded debt unmatured:			
Miscellaneous obligations:			
6% 5-yr. debenture bonds, due Mar. 1, 1924	\$1,500,000 00	\$1,500,000 00	\$1,500,000 00
7% 6-yr. W. E. St. Ry. Co. bonds, due Aug. 1, 1924, ...	1,581,000 00	1,581,000 00	-
6½% 5-yr. W. E. St. Ry. Co. bonds, due Feb. 1, 1927	2,700,000 00	2,700,000 00	-
6% 5-yr. W. E. St. Ry. Co. bonds, due May 1, 1927	1,956,000 00	1,956,000 00	-
4½% 20-yr. W. E. St. Ry. Co. bonds, due July 1, 1930	1,604,000 00	1,604,000 00	-
4% 30-yr. W. E. St. Ry. Co. bonds, due Aug. 1, 1932	5,709,000 00	5,709,000 00	-
5% 20-yr. W. E. St. Ry. Co. bonds, due Nov. 1, 1932	600,000 00	600,000 00	-
4% 30-yr debenture bonds, due May 1, 1935	8,500,000 00	8,500,000 00	8,500,000 00
5% 20-yr. W. E. St. Ry. Co. bonds, due May 1, 1936	815,000 00	815,000 00	-
4½% 30-yr. debenture bonds, due Oct. 1, 1937	4,800,000 00	4,800,000 00	4,800,000 00
4½% 30-yr. debenture bonds, due Nov. 1, 1941	5,000,000 00	5,000,000 00	5,000,000 00
5% 30-yr debenture bonds, due Dec. 1, 1942	8,286,000 00	8,286,000 00	8,286,000 00
5% 30-yr. W. E. St. Ry. Co. bonds, due Mar. 1, 1944	2,600,000 00	2,600,000 00	-
7% 30-yr. W. E. St. Ry. Co. bonds, due Sept. 1, 1947	570,000 00	570,000 00	-
6% 10-yr. debenture bonds, due June 1, 1933	3,000,000 00	-	-
Total bonds	\$49,221,000 00	\$46,221,000 00	\$28,086,000 00
Mortgage notes	125,000 00	125,000 00	125,000 00
Total funded debt unmatured	\$49,346,000 00	\$46,346,000 00	\$28,211,000 00
Non-negotiable debt to affiliated companies:			
Open accounts not subject to current settlement:			
West End Street Railway Company, lease account	-	-	\$1,207,201 98
West End Street Railway Company, cash suspense account.	-	-	7,746 90
Total non-negotiable debt to affiliated companies	-	-	\$1,214,948 88
Total long term debt	\$49,346,000 00	\$46,346,000 00	\$29,425,948 88

GENERAL BALANCE SHEET — *Concluded.*

DEBITS.	Dec. 31, 1923.	Dec. 31, 1922.	Dec. 31, 1921.
CURRENT ASSETS.			
Cash	\$1,280,272 53	\$825,666 20	\$1,320,913 37
Special deposits:			
Deposits for interest, dividends and rents unpaid . .	\$794,613 25	\$804,907 37	\$769,146 63
Special deposit of reserve fund, chapter 159, Special Acts, 1918.	243,031 99	1,000,000 00	—
Funds available for capital expenditures only . . .	45,000 00	—	—
Total special deposits	\$1,082,645 24	\$1,804,907 37	\$769,146 63
Loans and notes receivable	—	\$1 00	430 98
Miscellaneous accounts receivable	148,305 78	165,870 47	227,734 19
Material and supplies	3,200,985 74	2,418,280 09	3,251,416 43
Interest, dividends and rents receivable	51,441 40	50,555 56	30,308 96
Other current assets	35,882 90	38,139 00	35,716 13
Total current assets	\$5,799,533 59	\$5,303,419 69	\$5,635,666 69
DEFERRED ASSETS.			
Insurance and other funds	\$2,975,761 20	\$3,009,892 17	\$802,550 00
Total deferred assets	\$2,975,761 20	\$3,009,892 17	\$802,550 00
UNADJUSTED DEBITS.			
Rents and insurance premiums paid in advance . . .	\$251,972 97	\$62,701 94	\$129,100 42
Discount on funded debt (net)	559,832 29	260,251 68	291,719 76
Other unadjusted debits:			
Cost of service deficit for twelve months ending June 30, 1919, as provided for by Reserve Fund, chapter 159, Special Acts of 1918.	—	—	\$688,338 05
Cost of service deficit for twelve months ending June 30, 1919, as provided for by Commonwealth of Massachusetts, chapter 159, Special Acts of 1918.	\$2,348,397 40	\$3,462,955 22	3,980,151 67
Other unadjusted debits	179,423 60	553,975 80	203,072 29
Total other unadjusted debits	\$2,527,821 00	\$4,016,931 02	\$4,871,562 01
Total unadjusted debits	\$3,339,626 26	\$4,339,884 64	\$5,292,382 19
 Total debits	 \$116,064,181 91	 \$111,021,224 10	 \$71,398,013 27

GENERAL BALANCE SHEET — *Concluded.*

CREDITS.	Dec. 31, 1923.	Dec. 31, 1922.	Dec. 31, 1921.
CURRENT LIABILITIES.			
Loans and notes payable	\$3,934,172 50	\$1,800,000 00	\$2,463,372 13
Audited accounts and wages payable	1,353,820 74	1,082,533 97	1,208,320 20
Matured interest, dividends and rents unpaid	795,818 75	805,112 87	770,352 13
Matured funded debt unpaid	-	1,000 00	-
Accrued interest, dividends and rents payable:			
Accrued interest on funded debt	\$531,001 68	\$516,001 66	\$216,441 67
Accrued interest on loans and notes payable	196 40	343 03	1,726 74
Accrued rents, leased roads, West End Street Railway Company.	-	-	519,834 87
Accrued rents, leased roads, other companies	8,189 82	8,188 90	8,067 30
Accrued rents, subways and tunnels	88,313 34	87,543 30	116,755 02
Accrued interest on unpaid taxes	-	-	2,896 00
Accrued rents, leased roads, Boston Elevated Railway Company, dividend rental.	244,259 75	245,522 37	-
Total accrued interest, dividends and rents payable	\$871,960 99	\$857,599 26	\$855,721 60
Total current liabilities	\$5,965,772 98	\$4,545,246 10	\$5,307,766 06
DEFERRED LIABILITIES.			
Other deferred liabilities	\$40,323 51	\$38,751 14	\$38,952 50
Total deferred liabilities	\$40,323 51	\$38,751 14	\$38,952 50
UNADJUSTED CREDITS.			
Tax liability	\$664,671 75	\$344,531 22	\$733,233 02
Premium on funded debt	\$274,555 14	\$370,548 58	-
Operating reserves:			
Injury and damage reserve	1,031,804 09	906,601 92	918,042 56
Total operating reserves	\$1,031,804 09	\$906,601 92	\$918,042 56
Accrued depreciation of property	\$3,101,465 82	\$2,058,493 73	\$1,503,431 44
Other unadjusted credits:			
Outstanding tickets and checks	\$56,026 84	\$102,233 66	\$93,888 66
Amount advanced by Commonwealth of Massachusetts under chapter 159, Special Acts of 1918, account deficit in cost of service for 12 months ending June 30, 1919.	2,348,397 40	3,462,955 22	3,980,151 67
Other unadjusted credits	3,954 76	25,744 90	48,747 52
Total other unadjusted credits	\$2,408,379 00	\$3,590,933 78	\$4,122,787 85
Total unadjusted credits	\$7,480,875 80	\$7,771,109 23	\$7,277,494 87
CORPORATE SURPLUS.			
Profit and loss, balance June 30, 1918	\$98,869 06 ¹	\$173,083 65 ¹	\$238,977 17 ¹
Profit and loss, since June 30, 1918	375,110 07 ¹	339,521 34	-
Balance arising out of consolidation with West End Street Railway Company, June 10, 1922.	115,976 57	96,475 21 ¹	-
Miscellaneous fund reserves	412,207 03	-	-
Total corporate surplus	\$54,204 47	\$69,962 48	\$238,977 17 ¹
Total credits	\$116,064,181 91	\$111,021,224 10	\$71,398,013 27

¹ Debit.

INCOME STATEMENT.

	Twelve Months ending Dec. 31, 1923.	Twelve Months ending Dec. 31, 1922.	Twelve Months ending Dec. 31, 1921.
OPERATING INCOME.			
Passenger revenue	\$33,282,041 55	\$31,817,072 46	\$32,237,396 47
Special car revenue	15,909 95	16,950 31	16,233 12
Mail revenue	326 70	391 30	578 98
Express revenue	50,058 33	50,132 45	44,154 94
Miscellaneous transportation revenue	2,475 27	9,131 66	3,838 20
Total revenue from transportation	\$33,350,811 80	\$31,893,678 18	\$32,302,201 71
Station and car privileges	\$329,003 18	\$310,830 35	\$305,937 96
Rent of tracks and facilities	29,275 99	29,706 88	26,051 00
Rent of equipment	5,236 45	3,705 20	1,659 83
Rent of buildings and other property	106,175 26	112,829 09	111,951 20
Power	110,133 90	81,004 13	84,932 67
Miscellaneous	16,376 06	21,079 96	20,318 76
Total revenue from other railway operations	\$596,200 84	\$559,155 61	\$550,851 42
Total railway operating revenues	\$33,947,012 64	\$32,452,833 79	\$32,853,053 13
Railway operating expenses:			
Way and structures	\$4,030,197 21	\$3,335,892 96	\$3,021,844 18
Equipment	3,507,212 63	3,333,241 54	4,470,357 23
Power	3,094,731 22	3,261,918 91	2,532,500 73
Conducting transportation	10,905,932 68	10,040,831 82	10,752,382 64
Traffic	3,363 73	3,032 88	2,401 23
General and miscellaneous	2,609,928 82	2,145,070 71	2,063,570 98
Transportation for investment	21,112 88 ¹	31,530 07 ¹	—
Total railway operating expenses	\$24,130,253 41	\$22,088,458 75	\$22,843,056 99
Per cent of operating expenses to operating revenues	71.08	68.06	69.53
Per cent of operating expenses to operating and non-operating income.	70.77	67.55	68.65
Net revenue, railway operations	\$9,816,759 23	\$10,364,375 04	\$10,009,996 14
Taxes assignable to railway operations	\$1,688,139 91	\$1,587,186 83	\$1,546,758 15
Operating income	\$8,128,619 32	\$8,777,188 21	\$8,463,237 99

¹ Credit.

INCOME STATEMENT — *Concluded.*

	Twelve Months ending Dec. 31, 1923.	Twelve Months ending Dec. 31, 1922.	Twelve Months ending Dec. 31, 1921.
NON-OPERATING INCOME.			
Net income from miscellaneous physical property	\$1,935 14	—	—
Income from lease of road	823 40	\$823 40	\$823 40
Dividend income	9,183 50	9,181 75	9,180 00
Income from funded securities	16,400 71	5,147 62	4,503 41
Income from unfunded securities and accounts	58,505 33	196,030 85	375,158 65
Income from sinking fund and other reserves	33,280 00	33,280 00	33,280 00
Release of premiums on funded debt	27,568 30	—	—
Miscellaneous income	2,104 24	1,878 96	1,026 94
Total non-operating income	\$149,800 62	\$246,342 58	\$423,972 40
Gross income	\$8,278,419 94	\$9,023,580 79	\$8,887,210 39
DEDUCTIONS FROM GROSS INCOME.			
Rent for leased roads:			
West End Street Railway Company	—	\$1,184,360 67	\$2,630,730 24
West End Street Railway Company, Tremont Street Subway.	—	81,263 66	182,512 32
Other roads	\$52,512 04	49,119 85	48,914 48
Boston Elevated Railway Company, dividend rental	3,133,065 63	2,413,115 23	1,523,367 00
Total rent for leased roads	\$3,185,577 67	\$3,727,859 41	\$4,385,574 04
Miscellaneous rents	\$2,026,936 52	\$1,927,150 59	\$1,781,225 46
Net loss on miscellaneous physical property	—	8,732 53	6,959 96
Interest on funded debt	2,289,214 58	1,831,394 45	1,292,800 00
Interest on unfunded debt	26,811 96	59,921 12	201,458 43
Amortization of discount on funded debt	51,120 54	31,498 08	31,468 08
Miscellaneous debits	19,127 11	24,815 53	16,279 55
Total deductions from gross income	\$7,598,788 38	\$7,611,341 71	\$7,715,765 52
Balance after cost of service	\$679,631 56	\$1,412,189 08	\$1,171,444 87

OPERATING EXPENSE ACCOUNTS.

	1923.	1922.	1921.
WAY AND STRUCTURES.			
Superintendence of way and structures	\$248,982 68	\$210,733 57	\$211,850 11
Maintenance of track and roadway (except snow and ice)	1,839,136 58	1,615,411 69	1,724,134 42
Removal of snow and ice	312,987 31	103,291 10	63,460 07
Roadway structure	100,635 52	99,612 69	96,630 14
Signal and telephone and telegraph lines	34,844 51	22,134 98	23,370 33
Other miscellaneous way expenses	24,374 50	20,846 29	14,012 13
Maintenance of electric line equipment	286,168 36	261,353 24	278,348 00
Maintenance of buildings, fixtures and grounds	421,547 75	- 381,269 40	335,038 98
Depreciation of way and structures	761,520 00	621,240 00	275,000 00
Total way and structures	\$4,030,197 21	\$3,335,892 96	\$3,021,844 18
EQUIPMENT.			
Superintendence of equipment	\$145,647 13	\$138,091 81	\$142,844 54
Maintenance of cars	1,530,825 65	1,537,888 99	1,640,767 49
Maintenance of electrical equipment of cars	616,753 25	556,663 00	628,477 20
Shop expenses	267,364 00	260,432 60	275,822 05
Miscellaneous equipment, vehicles, horses, etc.	104,942 60	58,605 14	53,445 95
Depreciation of equipment	841,680 00	781,560 00	1,729,000 00
Total equipment	\$3,507,212 63	\$3,333,241 54	\$4,470,357 23
POWER.			
Superintendence of power	\$89,832 93	\$82,017 24	\$79,834 66
Maintenance of power plants	340,120 13	346,884 10	337,746 70
Depreciation of power plant buildings and equipment	400,800 00	601,200 00	-
Operation of power plants	2,263,978 16	2,231,817 57	2,114,919 37
Total power	\$3,094,731 22	\$3,261,918 91	\$2,532,500 73
CONDUCTING TRANSPORTATION.			
Superintendence of transportation	\$1,084,881 13	\$970,988 98	\$990,478 82
Passenger conductors, motormen and trainmen	7,043,938 40	6,442,707 49	7,041,863 84
Freight conductors, motormen and trainmen	15,706 17	13,967 87	12,150 78
Miscellaneous car service employees	282,737 65	278,650 32	311,922 91
Miscellaneous car service expenses	146,449 07	142,702 09	155,427 67
Station employees	753,913 14	720,977 04	720,736 44
Station expenses	203,314 57	209,368 86	183,938 93
Car house employees	855,488 88	803,570 03	873,312 15
Car house expenses	57,577 10	56,782 25	59,941 20
Operation of signal and telephone and telegraph lines	239,350 87	210,814 74	221,537 17
Other transportation expenses	222,575 70	190,302 15	181,072 73
Total conducting transportation	\$10,905,932 68	\$10,040,831 82	\$10,752,382 64

OPERATING EXPENSE ACCOUNTS — *Concluded.*

	1923.	1922.	1921.
TRAFFIC.			
Traffic	\$3,363 73	\$3,032 88	\$2,401 23
GENERAL AND MISCELLANEOUS.			
Salaries and expenses of general officers and clerks .	\$416,448 77	\$400,528 25	\$412,724 08
General office supplies and expenses	129,010 58	77,789 71	81,760 91
Law expenses	53,393 15	44,712 34	62,180 47
Relief department expenses, pensions and gratuities .	121,681 32	94,365 35	60,291 17
Miscellaneous general expenses	77,449 10	70,121 41	75,270 56
Injuries and damages	975,020 68	692,800 52	665,798 02
Insurance	316,413 99	290,157 08	287,406 21
Stationery and printing	96,726 62	121,134 97	92,120 81
Store, garage and stable expenses	360,951 94	309,172 83	286,504 07
Rent of tracks and facilities	34,548 59	23,275 28	24,212 73
Rent of equipment	28,284 08	21,012 97	15,301 95
Total general and miscellaneous	\$2,609,928 82	\$2,145,070 71	\$2,063,570 98
Transportation for investment	\$21,112 88 ¹	\$31,530 07 ¹	—
Total operating expenses	\$24,130,253 41	\$22,088,458 75	\$22,843,056 99

¹ Credit.

HISTORY OF THE 1919 LOAN ASSESSMENT ON CITIES AND TOWNS (CHAPTER 159, SPECIAL ACTS OF 1918).

Allocation of Assessment on Cities and Towns of Boston Elevated Deficit, Year ended June 30, 1919.

CITIES AND TOWNS.	Passengers.	Per Cent.	Amount of Assessment.	Distribution of July, 1922, Repayment.	Distribution of July, 1923, Repayment.	Balance due.
Boston	2,100,423	71.9330	\$2,863,042 50	\$372,034 92	\$790,029 10	\$1,700,978 48
Cambridge	283,475	9.7081	386,397 11	50,209 95	106,622 54	229,564 62
Somerville	122,583	4.1981	167,090 75	21,712 43	46,106 54	99,271 78
Brookline	74,553	2.5532	101,621 23	13,205 06	28,040 99	60,375 18
Medford	59,754	2.0464	81,449 82	10,583 91	22,475 56	48,390 35
Malden	55,838	1.9123	76,112 44	9,890 35	21,002 65	45,219 44
Everett	54,823	1.8775	74,727 35	9,710 36	20,619 69	44,397 30
Watertown	41,198	1.4109	56,155 96	7,297 12	15,496 14	33,362 70
Arlington	32,477	1.1122	44,267 25	5,752 26	12,215 36	26,299 63
Chelsea	29,659	1.0157	40,426 40	5,253 17	11,154 86	24,018 37
Newton	27,201	.9316	37,079 09	4,818 20	10,231 84	22,029 05
Belmont	18,746	.6420	25,552 57	3,320 40	7,051 43	15,180 74
Quincy (Commonwealth of Massachusetts).	15,569	.5332	21,222 17	2,757 69	18,464 48	-
Stoneham (Commonwealth of Massachusetts)	3,674	.1258	5,007 03	650 63	4,356 40	-
Commonwealth of Massachusetts. ¹	-	-	-	-	690 24	² 690 24
Totals	2,919,973	100.00	\$3,980,151 67	\$517,196 45	\$1,114,557 82	\$2,348,397 40

Based on traffic counts made July 24, 25, 26, 27, 1919, in accordance with the provisions of section 14, chapter 159, Special Acts of 1918.

¹ From the July, 1923, repayment the Commonwealth of Massachusetts deducted \$690.24 to reimburse themselves for the difference between 126 days' interest at 4.28 per cent on \$4,000,000 (note issued July 17, 1919, due November 20, 1919) and \$3,980,151.67, the amount paid to the Boston Elevated Railway Company \$297 33
And interest from July 17, 1919, to July 19, 1923, on amount the State deducted to pay assessment of Quincy and Stoneham 392 91

Amount of expense to State to be assessed to towns and cities pro rata to their original contribution \$690 24

² Credit.

BOSTON ELEVATED RAILWAY COMPANY,
TRUSTEE.

STATEMENT OF SPECIAL TRUST FUND, DECEMBER 31, 1923.

Principal of trust fund as established	\$1,500,000 00	
Accretions and accumulations to December 31, 1923	673,211 20	
Total special trust fund	\$2,173,211 20	
Income from June 10, 1922, to December 31, 1923	\$113,508 09	
Less amount paid on account of retirement of 721½ shares of second preferred stock, purchased in July, 1923	72,193 40	
		41,314 69
Investments	\$2,171,549 80	
Cash on deposit	\$42,976 09	

The above trust fund is held by the Boston Elevated Railway Company under chapter 740, Acts of 1911, — “An Act to authorize the consolidation of properties and franchises of the Boston Elevated Railway Company and the West End Street Railway Company,” — and represents the proceeds from the sale to the Boston Elevated Railway Company of real estate of the West End Street Railway Company which was not required in the conduct of the business. The amount so received (\$1,500,000) has been held by the Boston Elevated Railway Company and invested by it and allowed to accumulate until the tenth day of June, 1922. Hereafter the annual income therefrom will be applied toward the purchase and retirement of the second preferred stock of the Boston Elevated Railway Company. No part of this fund or its income can be used for any other purpose until all of the second preferred stock has been retired, when the fund becomes available for capital purposes.



ANNUAL REPORT

OF THE

PUBLIC TRUSTEES OF THE BOSTON
ELEVATED RAILWAY

FOR THE

YEAR ENDING DECEMBER 31, 1924

ANNUAL REPORT

OF THE

PUBLIC TRUSTEES OF THE BOSTON
ELEVATED RAILWAY

FOR THE

YEAR ENDING DECEMBER 31, 1924

REPORT OF THE

COMMISSIONERS OF THE LAND OFFICE
FOR THE YEAR 1881

ALBANY: J. B. LEECH, 1882.

PRINTED BY
J. B. LEECH, ALBANY.

RECEIVED
JAN 10 1882

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FOR THE YEAR 1881.

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COMMISSIONERS

OF THE LAND OFFICE

FOR THE YEAR 1881.

ALBANY: J. B. LEECH, 1882.

REPORT OF THE BOARD OF PUBLIC TRUSTEES OF THE BOSTON ELEVATED RAILWAY.

The Public Trustees of the Boston Elevated Railway respectfully submit their sixth annual report.

RESULTS OF OPERATION.

The sixth fiscal year of public operation of this railway closed with June 30, 1924. As there was at that time no excess of receipts over expenditures for the preceding twelve months, no payments were made to the cities and towns which had contributed to the loan assessment to meet the deficit of the first year of public operation. The aggregate amount contributed by the municipalities in 1919 was \$3,980,151.67. The excess of receipts over cost of service during the past years had been applied, first, to the restoration of the exhausted reserve fund, and after this was accomplished there was paid back to the cities and towns \$517,196.45 in July, 1922, and \$1,114,557.82 in July, 1923. The aggregate of these amounts was distributed among the cities and towns served by the railway and reduced to \$2,348,397.40, the balance still due them.

During the calendar year which closed with December 31, 1924, gross receipts and number of revenue passengers carried were the largest in the experience of the railway, either under private management or public control. Owing, however, to increases in wages, the first under the Mayberry award and the later under the McLaughlin award, the operating labor cost of the past calendar year has mounted to \$17,358,670.49, an increase of \$1,134,394.55 over the operating labor cost of 1923.

Immediately following the announcement of the decision in the last arbitration proceedings it was necessary to increase the 5-cent local fare, which had been established largely for the outlying districts, to a basis of 6 cents. The Trustees feel that there has been no substantial diminution in traffic as a result of this increase, and feel that the additional revenue thereby secured will aid largely in meeting the increased costs.

RECEIPTS AND EXPENDITURES.

The following comparative tables present a summary of receipts and expenditures for the past and four preceding calendar years and the allocation of cost of service per revenue passenger for the year ending December 31, 1924:

Comparative Division of Receipts and Expenditures for Year ending December 31.

	1924.	1923.	1922.	1921.	1920.
Total receipts	\$34,175,319 61	\$34,096,813 26	\$32,699,176 37	\$33,277,025 53	\$34,031,636 44
Operating expenses:					
Wages	\$17,358,670 49	\$16,224,275 94	\$14,772,340 42	\$15,563,255 53	\$17,216,445 20
Material and other items	3,203,378 92	3,236,805 32	2,903,650 98	3,093,934 69	3,310,858 94
Injuries and damages	740,025 39	822,775 24	555,355 59	518,249 02	640,165 04
Depreciation	2,496,000 00	2,004,000 00	2,004,000 00	2,004,000 00	2,004,000 00
Fuel	1,424,058 76	1,842,396 91	1,853,111 76	1,663,617 75	2,597,652 93
Total operating expenses	\$25,222,133 56	\$24,130,253 41	\$22,088,458 75	\$22,843,056 99	\$25,769,122 11
Taxes	1,623,995 65	1,688,139 91	1,587,186 83	1,546,758 15	1,142,987 28
Rent of leased roads (including dividend rental under chapter 159, Acts of 1918).	3,175,566 55	3,185,577 67	3,646,595 75	4,203,061 72	4,102,230 36
Subway and tunnel rents	2,125,593 96	2,026,936 52	2,008,414 25	1,963,737 78	1,790,432 30
Interest on bonds and notes	2,602,891 00	2,316,026 54	1,891,315 57	1,494,258 43	1,514,963 98
Miscellaneous items	61,835 29	70,247 65	65,016 14	54,707 59	59,067 65
Total cost of service	\$34,812,016 01	\$33,417,181 70	\$31,286,987 29	\$32,105,580 66	\$34,378,803 68
Loss for year	\$636,696 40	-	-	-	\$347,167 24
Gain for year	-	\$679,631 56	\$1,412,189 08	\$1,171,444 87	-

Profit and Loss Adjustments not included in above.

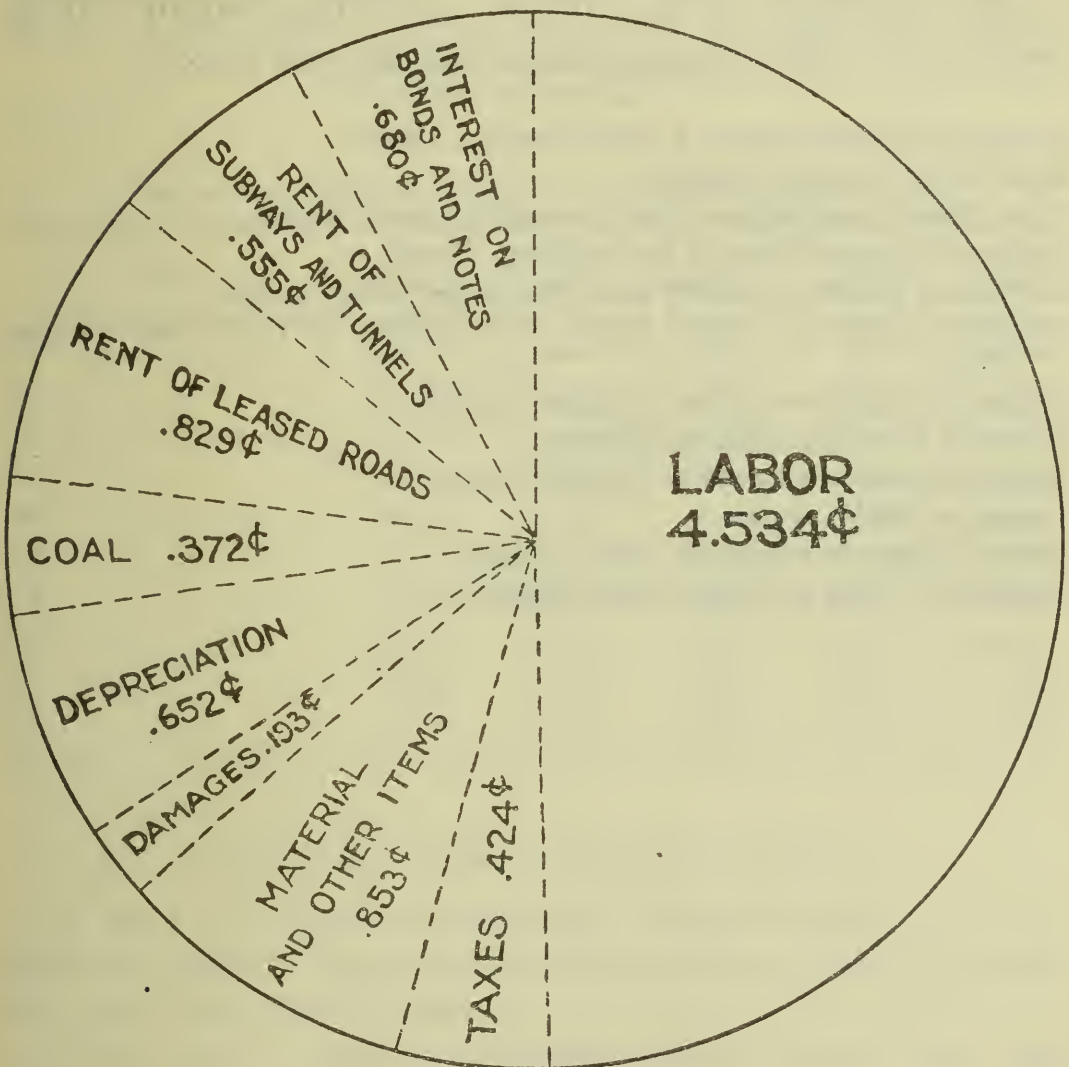
BOSTON ELEVATED RAILWAY

ALLOCATION OF COST OF SERVICE
PER PASSENGER

12 MONTHS ENDING DECEMBER 31, 1924.

AVERAGE RECEIPTS PER REVENUE PASSENGER 8.926¢

COST OF SERVICE **9.092¢** PER REVENUE PASSENGER
DIVIDED AS FOLLOWS



TRAFFIC.

During 1924 there were 739,151 more revenue passengers carried than in 1923. Passenger revenue mileage was increased by 1,939,014 miles, in large measure due to increased use of one-man cars which permitted an increased service without corresponding increase in cost. The one-man car and motor bus miles amounted to 31.7 per cent of the total surface miles operated.

The increase in revenue passengers occurred on week days and Saturdays, there being a decrease of traffic on Sundays and holidays.

The operation of motor busses has increased. The miles covered in 1922 were 63,937; in 1923, 465,382; and in 1924, 890,901. At the present time busses are operated on the following routes:

Brooks and Faneuil streets, to Union Square, Allston.

Readville to Mattapan Square.

Green Street, Cambridge to Commonwealth Avenue, Boston.

Arch and Summer streets to Rowes Wharf, Boston.

Haymarket Square to Battery and Commercial streets, Boston.

Belgrade Avenue and Centre Street, West Roxbury to Eliot Street, Jamaica Plain.

Fellsway and Medford Street to Malden Square.

Riverside Avenue to Medford Hillside.

Magoun Square, Somerville to Sullivan Square.

Linden to Malden Square.

Malden Square to Broadway, North, Malden.

Faulkner to Cross and Main streets, Malden.

Traffic Statistics, Year ending December 31.

	1924.	1923.	1922.	1921.
Round trips operated	6,994,749	6,488,082	6,059,531	5,773,584
Passenger revenue	\$33,419,172 22	\$33,297,951 50	\$31,834,022 77	\$32,253,629 59
Passenger revenue per car mile (cents) .	59.69	61.61	62.94	64.89
Passenger revenue per car hour . . .	\$5 67	\$5 71	— 1	— 1
Passenger revenue mileage	55,988,679 ²	54,049,665 ²	50,575,088 ²	49,706,697
Passenger revenue car hours	5,894,115	5,826,993	— 1	— 1
Revenue passengers carried	382,888,848	382,149,697	356,593,942	337,252,080
Revenue passengers carried per car mile	6.838	7.070	7.051	6.785
Revenue passengers carried per car hour	64.96	65.58	— 1	— 1

¹ Comparable statistics not available.

² Including motor bus mileage.

Comparative Passenger Statistics — Revenue Passengers carried.

YEAR.	Week Day Average.	Saturday Average.	Sunday Average.	Holiday Average.	Total for Year.
1924	1,109,861	1,216,132	630,755	727,191	382,888,848
1923	1,109,274	1,196,301	652,404	758,915	382,149,697
1922	1,030,303	1,144,320	617,148	691,890	356,593,942
1921	975,745	1,068,295	578,860	696,691	337,252,080
1920	960,737	1,072,319	591,063	703,634	335,526,561
1919	934,918	1,078,635	596,182	706,429	324,758,685
1918	985,384	1,147,809	658,902	775,634	348,664,700
1917	1,073,943	1,249,588	728,847	857,902	381,017,338
1916	1,050,038	1,218,749	718,804	832,962	373,577,908
1915	992,283	1,140,046	685,726	846,860	352,469,586

OPERATING CHANGES AND BETTERMENTS.

On the 1st of March the Arborway Transfer Station at Forest Hills was opened, improving transfer conditions between Jamaica Plain and West Roxbury cars.

On the 21st of April the operation of surface cars in the East Boston Tunnel was superseded by the operation of specially constructed steel rapid transit trains. This change materially decreased

the running time, eliminated congestion at way stations and made possible a far larger use of the tunnel.

Since August 27 elevated train service has been extended daily from 12.30 to 1.15 A.M. for the convenience of night patrons.

The running of cars over Harvard Bridge was suspended from the 24th of August to the 3d of November in the interest of safety, incidentally expediting reconstruction work and reducing the length of time the bridge was under reconstruction.

Block signals have been installed on curves in the Tremont Street Subway.

The new Instruction School in Sullivan Square was completed and has been placed in service.

Changes were made at Dudley Street Terminal to provide safe passage for passengers from the west incline.

A new alternating current signal system for the entire Forest Hills section was placed in operation during October.

Improved waiting-room facilities were provided at Lechmere Square on the Cambridge platform.

The stairway at Egleston Square Station has been re-arranged in the interest of safety.

Changes were recently made in the location of transfer station at Coolidge Corner to conform with traffic plans of the town of Brookline.

The so-called Bartlett Street units of the Everett repair shops were completed and the personnel and equipment transferred from the Bartlett Street shops on March 1, 1924, since which time there has been a great improvement in the facilities available for heavy repair work and painting of cars.

The work of erecting at Forest Hills a new Lobby Building for the car service men, a large garage for motor busses, and a suitable heating plant to provide for all of the buildings grouped at this location has been nearly completed.

Final plans for the extension of rapid transit service in the Dorchester District by utilization of the Shawmut Branch of the New Haven Railroad have been worked out in conjunction with the Boston Transit Department. The lease of the premises has been executed, all legal formalities completed, the contract for the first section let and work of construction started. When finished

this extension will provide for operation of the Cambridge-Dorchester Tunnel trains as far as Ashmont, or three and three-quarter miles from the present terminus at Andrew Square, and the operation of high speed trolley service on private right of way from Ashmont to Mattapan.

Acting upon the request of the Trustees, the Transit Department of the City of Boston has continued the work of lowering platforms in the Tremont Street Subway.

During the twelve months 17.15 miles of track and special work have been rebuilt and 3.77 miles of track and special work repaired.

CARS.

During the year there were received eight East Boston Tunnel cars in addition to the forty originally purchased and eighty-nine new cars of the one-man, two-men type.

In 1918 the number of cars held out of service for repairs was 18 per cent. During 1924 a satisfactory record of 6 per cent has been maintained. Whereas in 1918, 50 per cent of the surface car mileage was operated with articulated and box cars, during the year 1924 only 7 per cent was operated by cars of this type.

PASSENGER CARS OWNED DECEMBER 31.

Surface Lines.

	1924.	1923.
Semi-convertible cars	443	445
Semi-convertible cars, one-man or two-men	344 ¹	255
Center entrance cars	396	396
Trailer cars	220	220
One-man cars (Birney type)	36	59
Articulated cars (50-foot type)	30	52
Box cars	183	203
Total surface passenger cars	1,652	1,630

¹ Seventeen more cars of this type are on order.

PASSENGER CARS OWNED DECEMBER 31 — *Concluded.**Rapid Transit Lines.*

	1924.	1923.
Elevated cars, wood and steel	98	99
Elevated cars, steel	227	227
Cambridge Subway cars, steel	95	95
East Boston Tunnel cars, steel	48	40
Total rapid transit passenger cars	468	461
Grand total	2,120	2,091

ACCIDENT RECORD.

The accident record of the year has shown improvement. Operating expenses on this account were lowered from \$975,020.68 in 1923 to \$914,043.17 in 1924.

Accidents per million miles operated with one-man cars were reduced from 230 in 1923 to 205 in 1924. Accidents per million miles operated with two-men cars were reduced from 259 in 1923 to 249 in 1924.

POWER.

Power cost has been less, due to plant improvements, which have made possible more efficient operation, and to lower price of coal.

A new 35,000-kilowatt turbo-generator at South Boston Power Station was put in operation on March 31. The generating capacity at South Boston was increased thereby to 122,000 kilowatts. This capacity will not be available as a whole until additional boilers and transmission lines are installed.

The average number of pounds of coal consumed per kilowatt hour direct current at the cars was 2.068, the lowest of any year in the history of the railway. The average cost of coal for power during the year was \$5.921 per long ton. The number of tons of coal burned was reduced from 260,032 in 1923 to 240,493 in 1924, notwithstanding an increase in kilowatt hour output. The maximum current output for any one hour was 86,245 kilowatts, which was the greatest in the history of the railway.

During the year 115,675 feet of underground conduit were laid. This includes an additional connection between the South Boston

Power Station and the main feeder circuit for the entire system, thereby lessening the danger of interruption of service.

	1924.	1923.	1922.	1921.	1920.	1919.	1918.
Tons of coal burned .	240,493	260,032	273,441	215,870	258,087	287,670	281,677
Pounds of coal per kilowatt hour (direct current on line).	2.068	2.264	2.553	2.174	2.353	2.835	2.772
Average price of coal per ton.	\$5 921	\$7 085	\$6 777	\$7 71	\$10 07	\$5 91	\$6 26
Net cost of power for car service per kilowatt hour (cents).	1.093	1.227	1.414	1.172	1.921	1.307	1.158
Net cost of power per total revenue car mile (cents).	4.833	5.468	6.153	4.815	8.538	5.439	4.668
Direct current annual output (kilowatts).	260,401,225	257,270,357	239,905,874	222,461,060	245,676,503	239,892,118	227,582,057
Direct current maximum hour output (kilowatts).	86,245	82,965	78,755	75,905	72,295	71,760	67,965

REAL ESTATE.

Of the 53 parcels of real estate assessed for \$2,170,257 which were not in use for railway purposes at the time the Trustees assumed control in 1918, only 2, assessed for \$30,700, remain unsold.

During the past six years some additional properties have been retired from active use. The total of real estate owned by the company and not in active use or required for development consists of six parcels assessed for \$581,800, the largest single item being the old Bartlett Street shops assessed for \$546,500. These will be sold as rapidly as reasonable prices can be obtained.

OUTLOOK.

The summer and fall months were characterized as usual by large expenditures in reconstruction work. While the summer traffic was affected as usual by vacation and holiday limitations, it was affected to an unusual extent by automobile competition and a depression in certain lines of business with accompanying lack of employment and consequent loss in riding. From July 1 to November 1 the excess of cost of service over receipts was \$1,042,556.11, exclusive of charge for back pay and profit and loss adjustments, an aggregate considerably larger than during the same period of 1923, and the restoration to a surplus of receipts over cost of service was

slow. This exhausted the Reserve Fund, but November showed a small excess of receipts over cost of service, and the receipts for December exceeded expenditures by \$305,503.75. Since then a gratifying increase in receipts has taken place, so that there is reason to believe that with the closing of this fiscal year on the 30th of June it will be found that receipts have been equal to expenditures. To accomplish this result in view of the increased rate of wages awarded last summer the Trustees have been compelled to lessen service and to decrease working hours and number of men employed.

Since our last annual report the matter of capital requirements and future control of this railway has been exhaustively considered by a recess committee of the General Court, whose report is now before a joint committee and therefore no reference is made to that subject-matter.

JAMES F. JACKSON.
WINTHROP COFFIN.
STANLEY R. MILLER.
J. FRANK O'HARE.
SAMUEL L. POWERS.

BOSTON, January 30, 1925.

Mr. JAMES F. JACKSON, *Chairman*, Mr. WINTHROP COFFIN, Mr. STANLEY R. MILLER, Mr. SAMUEL L. POWERS, Mr. J. FRANK O'HARE, *Trustees, Boston Elevated Railway, Boston, Mass.*

SIRS: — We have examined the accounts of the Boston Elevated Railway for the year ending December 31, 1924, and we report upon the railway's financial statements for the year, presented herewith as follows:

Road and equipment are shown at book values. In our opinion, adequate provision for depreciation has been made for the year under review, in pursuance of the plan for depreciation reserves followed by the Public Trustees from July 1, 1918.

The securities owned by the railway were produced for our inspection and are carried at cost values, which, in some cases, exceed the market values. We have verified the current assets as shown by the books, and have satisfied ourselves that the liabilities are correctly stated.

We hereby certify that, subject to the foregoing comments, the accompanying balance sheet is in accordance with the books and correctly states the financial condition of the Boston Elevated Railway at December 31, 1924; and that the operating results for the year 1924 are fairly presented in the accompanying income statement.

Respectfully submitted,

PATTERSON, TEELE & DENNIS,
Accountants and Auditors.

GENERAL BALANCE SHEET.

DEBITS.	Dec. 31, 1924.	Dec. 31, 1923.	Dec. 31, 1922.
INVESTMENTS.			
Road and equipment:			
Way and structures	\$61,477,855 69	\$60,895,143 85	\$58,335,275 74
Equipment	24,966,763 74	23,915,042 10	21,423,224 31
Power	17,452,644 77	16,545,809 30	15,690,017 53
General and miscellaneous	1,893,554 61	1,881,601 30	1,788,473 83
Total road and equipment	\$105,790,818 81	\$103,237,596 55	\$97,236,991 41
Miscellaneous physical property	\$58,889 12	\$112,348 82	\$556,521 48
Investments in affiliated companies:			
Stocks	-	-	\$201,508 72
Advances:			
Other companies, road and equipment	-	-	102,851 11
Total investments in affiliated companies	-	-	\$304,359 83
Other investments:			
Stocks	\$2,552 50	\$2,552 50	\$2,552 50
Notes	155,250 00	453,200 00	125,600 00
Advances, road and equipment:			
Eastern Massachusetts Street Railway Company	114,346 66	143,562 99	142,002 38
Total other investments	\$272,149 16	\$599,315 49	\$270,154 88
Total investments	\$106,121,857 09	\$103,949,260 86	\$93,368,027 60

GENERAL BALANCE SHEET.

CREDITS.	Dec. 31, 1924.	Dec. 31, 1923.	Dec. 31, 1922.
STOCK.			
Capital stock:			
First preferred stock	\$6,400,000 00	\$6,400,000 00	\$6,400,000 00
Second preferred stock	13,866,100 00	13,957,700 00	14,029,850 00
Preferred stock	3,000,000 00	3,000,000 00	3,000,000 00
Common stock	23,879,400 00	23,879,400 00	23,879,400 00
Total capital stock	\$47,145,500 00	\$47,237,100 00	\$47,309,250 00
Premium on capital stock:			
Second preferred stock	\$2,232,477 02	\$2,232,477 02	\$2,232,477 02
Common stock	2,707,428 13	2,707,428 13	2,707,428 13
Total premium on capital stock	\$4,939,905 15	\$4,939,905 15	\$4,939,905 15
Total stock	\$52,085,405 15	\$52,177,005 15	\$52,249,155 15
LONG-TERM DEBT.			
Funded debt unmatured:			
Miscellaneous obligations:			
6% 5-yr. Boston Elev. Ry. bonds, due Mar. 1, 1924	-	\$1,500,000 00	\$1,500,000 00
7% 6-yr. W. E. St. Ry. Co. bonds, due Aug. 1, 1924	-	1,581,000 00	1,581,000 00
6½% 5-yr. W. E. St. Ry. Co. bonds, due Feb. 1, 1927	\$2,700,000 00	2,700,000 00	2,700,000 00
6% 5-yr. W. E. St. Ry. Co. bonds, due May 1, 1927	1,956,000 00	1,956,000 00	1,956,000 00
4½% 20-yr. W. E. St. Ry. Co. bonds, due July 1, 1930	1,604,000 00	1,604,000 00	1,604,000 00
4% 30-yr. W. E. St. Ry. Co. bonds, due Aug. 1, 1932	5,709,000 00	5,709,000 00	5,709,000 00
5% 20-yr. W. E. St. Ry. Co. bonds, due Nov. 1, 1932	600,000 00	600,000 00	600,000 00
6% 10-yr. Boston Elev. Ry. bonds, due June 1, 1933	3,000,000 00	3,000,000 00	-
6% 10-yr. Boston Elev. Ry. bonds, due Mar. 1, 1934	2,098,000 00	-	-
5½% 10-yr. Boston Elev. Ry. bonds, due Aug. 1, 1934	1,581,000 00	-	-
4% 30-yr. Boston Elev. Ry. bonds, due May 1, 1935	8,500,000 00	8,500,000 00	8,500,000 00
5% 20-yr. W. E. St. Ry. Co. bonds, due May 1, 1936	815,000 00	815,000 00	815,000 00
4½% 30-yr. Boston Elev. Ry. bonds, due Oct. 1, 1937	4,800,000 00	4,800,000 00	4,800,000 00
4½% 30-yr. Boston Elev. Ry. bonds, due Nov. 1, 1941	5,000,000 00	5,000,000 00	5,000,000 00
5% 30-yr. Boston Elev. Ry. bonds, due Dec. 1, 1942	8,286,000 00	8,286,000 00	8,286,000 00
5% 30-yr. W. E. St. Ry. Co. bonds, due Mar. 1, 1944	2,600,000 00	2,600,000 00	2,600,000 00
7% 30-yr. W. E. St. Ry. Co. bonds, due Sept. 1, 1947	570,000 00	570,000 00	570,000 00
Total bonds	\$49,819,000 00	\$49,221,000 00	\$46,221,000 00
Mortgage notes	125,000 00	125,000 00	125,000 00
Total funded debt unmatured	\$49,944,000 00	\$49,346,000 00	\$46,346,000 00
Total long-term debt	\$49,944,000 00	\$49,346,000 00	\$46,346,000 00

GENERAL BALANCE SHEET — *Concluded.*

DEBITS.	Dec. 31, 1924.	Dec. 31, 1923.	Dec. 31, 1922.
CURRENT ASSETS.			
Cash	\$2,237,296 37	\$1,280,272 53	\$825,666 20
Special deposits:			
Deposits for interest, dividends and rents unpaid	\$796,101 50	\$794,613 25	\$804,907 37
Special deposit of Reserve Fund, chapter 159, Special Acts of 1918.	-	243,031 99	1,000,000 00
Funds available for capital expenditures only	37,000 00	45,000 00	-
Total special deposits	\$833,101 50	\$1,082,645 24	\$1,804,907 37
Loans and notes receivable	9,000 00	-	1 00
Miscellaneous accounts receivable	197,751 22	148,305 78	165,870 47
Material and supplies	2,973,479 61	3,200,985 74	2,418,280 09
Interest, dividends and rents receivable	15,052 34	51,441 40	50,555 56
Other current assets	39,337 66	35,882 90	38,139 00
Total current assets	\$6,305,021 70	\$5,799,533 59	\$5,303,419 69
DEFERRED ASSETS.			
Insurance and other funds	\$2,923,449 80	\$2,975,761 20	\$3,009,892 17
Total deferred assets	\$2,923,449 80	\$2,975,761 20	\$3,009,892 17
UNADJUSTED DEBITS.			
Rents and insurance premiums paid in advance	\$198,067 92	\$251,972 97	\$62,701 94
Discount on funded debt	\$522,990 51	\$559,832 29	\$260,251 68
Other unadjusted debits:			
Cost of service deficit for twelve months ending June 30, 1919, as provided for by Commonwealth of Massachusetts, chapter 159, Special Acts of 1918.	\$2,348,397 40	\$2,348,397 40	\$3,462,955 22
Other unadjusted debits	198,796 24	179,423 60	553,975 80
Total other unadjusted debits	\$2,547,193 64	\$2,527,821 00	\$4,016,931 02
Total unadjusted debits	\$3,268,252 07	\$3,339,626 26	\$4,339,884 64
Total debits	\$118,618,580 66	\$116,064,181 91	\$111,021,224 10

GENERAL BALANCE SHEET — *Concluded.*

CREDITS.	Dec. 31, 1924.	Dec. 31, 1923.	Dec. 31, 1922.
CURRENT LIABILITIES.			
Loans and notes payable	\$5,200,000 00	\$3,934,172 50	\$1,800,000 00
Audited accounts and wages payable	1,242,700 05	1,363,820 74	1,082,533 97
Matured interest, dividends and rents unpaid	797,307 00	795,818 75	805,112 87
Matured funded debt unpaid	-	-	1,000 00
Accrued interest, dividends and rents payable:			
Accrued interest on funded debt	\$533,080 43	\$531,001 68	\$516,001 66
Accrued interest on loans and notes payable	-	196 40	343 03
Accrued rents, leased roads, other companies	6,659 24	8,189 82	8,188 90
Accrued rents, subways and tunnels	89,778 34	88,313 34	87,543 30
Accrued rents, leased roads, Boston Elevated Railway Company, dividend rental.	242,656 75	244,259 75	245,522 37
Total accrued interest, dividends and rents payable	\$872,174 76	\$871,960 99	\$857,599 26
Total current liabilities	\$8,112,181 81	\$6,965,772 98	\$4,546,246 10
DEFERRED LIABILITIES.			
Other deferred liabilities	\$40,300 12	\$40,323 51	\$38,751 14
Total deferred liabilities	\$40,300 12	\$40,323 51	\$38,751 14
UNADJUSTED CREDITS.			
Tax liability	\$660,105 32	\$664,671 75	\$844,531 22
Premium on funded debt	\$267,123 74	\$274,555 14	\$370,548 58
Operating reserves:			
Injury and damage reserve	\$933,202 98	\$1,031,804 09	\$906,601 92
Total operating reserves	\$933,202 98	\$1,031,804 09	\$906,601 92
Accrued depreciation — road and equipment	\$4,431,798 89	\$3,101,465 82	\$2,058,493 73
Other unadjusted credits:			
Outstanding tickets and checks	\$122,329 19	\$56,026 84	\$102,233 66
Amount advanced by Commonwealth of Massachusetts under chapter 159, Special Acts of 1918, account deficit in cost of service for 12 months ending June 30, 1919.	2,348,397 40	2,348,397 40	3,462,955 22
Other unadjusted credits	5,504 76	3,954 76	25,744 90
Total other unadjusted credits	\$2,476,231 35	\$2,408,379 00	\$3,590,933 78
Total unadjusted credits	\$8,768,462 28	\$7,480,875 80	\$7,771,109 23
CORPORATE SURPLUS.			
Miscellaneous fund reserves	\$412,207 03	\$412,207 03	-
Profit and Loss:			
Period to June 30, 1918	76,109 21 ¹	98,869 06 ¹	\$173,083 65 ¹
Period since July 1, 1918	823,131 69 ¹	375,110 07 ¹	339,521 34
Arising out of consolidation with West End Street Railway Company, June 10, 1922.	155,265 17	115,976 57	96,475 21 ¹
Total corporate surplus	\$331,768 70 ¹	\$54,204 47	\$69,962 48
Total credits	\$118,618,580 66	\$116,064,181 91	\$111,021,224 10

¹ Debit.

INCOME STATEMENT.

	Twelve Months ending Dec. 31, 1924.	Twelve Months ending Dec. 31, 1923.	Twelve Months ending Dec. 31, 1922.
OPERATING INCOME.			
Passenger revenue	\$33,072,029 64	\$33,146,803 15	\$31,803,824 46
Passenger motor bus revenue	331,223 37	135,238 40	13,248 00
Special car revenue	15,919 21	15,909 95	16,950 31
Mail revenue	228 92	326 70	391 30
Express revenue	44,223 59	50,058 33	50,132 45
Miscellaneous transportation revenue	4,532 88	2,475 27	9,131 66
Total revenue from transportation	\$33,468,157 61	\$33,350,811 80	\$31,893,678 18
Station and car privileges	\$331,842 34	\$329,003 18	\$310,830 35
Rent of tracks and facilities	32,101 13	29,275 99	29,706 88
Rent of equipment	6,833 54	5,236 45	3,705 20
Rent of buildings and other property	101,277 77	106,175 26	112,829 09
Power	88,157 19	110,133 90	81,004 13
Miscellaneous	17,212 09	16,376 06	21,079 96
Total revenue from other railway operations	\$577,424 06	\$596,200 84	\$559,155 61
Total railway operating revenues	\$34,045,581 67	\$33,947,012 64	\$32,452,833 79
Railway operating expenses:			
Way and structures	\$3,823,124 08	\$4,030,197 21	\$3,335,892 96
Equipment	4,156,222 11	3,507,212 63	3,333,241 54
Power	2,819,283 28	3,094,731 22	3,261,918 91
Conducting transportation	11,825,235 02	10,905,932 68	10,040,831 82
Traffic	7,866 24	3,363 73	3,032 88
General and miscellaneous	2,611,292 42	2,609,928 82	2,145,070 71
Transportation for investment	20,889 59 ¹	21,112 88 ¹	31,530 07 ¹
Total railway operating expenses	\$25,222,133 56	\$24,130,253 41	\$22,088,458 75
Per cent of operating expenses to operating revenues	74.08	71.08	68.06
Per cent of operating expenses to operating and non-operating income.	73.80	70.77	67.55
Net revenue, railway operations	\$8,823,448 11	\$9,816,759 23	\$10,364,375 04
Taxes assignable to railway operations	\$1,623,995 65	\$1,688,139 91	\$1,587,186 83
Operating income	\$7,199,452 46	\$8,128,619 32	\$8,777,188 21

¹ Credit.

INCOME STATEMENT — *Concluded.*

	Twelve Months ending Dec. 31, 1924.	Twelve Months ending Dec. 31, 1923.	Twelve Months ending Dec. 31, 1922.
NON-OPERATING INCOME.			
Income from lease of road	\$393 10	\$823 40	\$823 40
Net income from miscellaneous physical property .	-	1,935 14	-
Dividend income	3 50	9,183 50	9,181 75
Income from funded securities	19,147 19	16,400 71	5,147 62
Income from unfunded securities and accounts .	43,316 87	58,505 33	196,030 85
Income from sinking fund and other reserves .	33,280 00	33,280 00	33,280 00
Release of premiums on funded debt	28,737 92	27,568 30	-
Miscellaneous income	4,912 48	2,104 24	1,878 96
Total non-operating income	\$129,791 06	\$149,800 62	\$246,342 58
Gross income	\$7,329,243 52	\$8,278,419 94	\$9,023,530 79
DEDUCTIONS FROM GROSS INCOME.			
Rent for leased roads:			
West End Street Railway Company	-	-	\$1,184,360 67
West End Street Railway Company, Tremont Street Subway.	-	-	81,263 66
Other roads	\$48,551 55	\$52,512 04	49,119 85
Boston Elevated Railway Company, dividend rental	3,127,015 00	3,133,065 63	2,413,115 23
Total rent for leased roads	\$3,175,566 55	\$3,185,577 67	\$3,727,859 41
Miscellaneous rents	\$2,125,593 96	\$2,026,936 52	\$1,927,150 59
Net loss on miscellaneous physical property . . .	53 12	-	8,732 53
Interest on funded debt	2,430,788 75	2,289,214 58	1,831,394 45
Interest on unfunded debt	172,102 25	26,811 96	59,921 12
Amortization of discount on funded debt . . .	43,365 86	51,120 54	31,468 08
Miscellaneous debits	18,469 43	19,127 11	24,815 53
Total deductions from gross income	\$7,965,939 92	\$7,598,788 38	\$7,611,341 71
Balance after cost of service	\$636,696 40 ¹	\$679,631 56	\$1,412,189 08

¹ Deficit.

OPERATING EXPENSE ACCOUNTS.

	1924.	1923.	1922.
WAY AND STRUCTURES.			
Superintendence of way and structures	\$289,415 84	\$248,982 68	\$210,733 57
Maintenance of track and roadway (except snow and ice)	1,716,104 40	1,839,136 58	1,615,411 69
Removal of snow and ice	112,752 16	312,987 31	103,291 10
Roadway structures	89,911 94	100,635 52	99,612 69
Signal and telephone and telegraph lines	58,139 79	34,844 51	22,134 93
Other miscellaneous way expenses	25,809 44	24,374 50	20,846 29
Maintenance of electric line equipment	276,938 19	286,168 36	261,353 24
Maintenance of buildings, fixtures and grounds	380,452 32	421,547 75	381,269 40
Depreciation of way and structures	873,600 00	761,520 00	621,240 00
Total way and structures	\$3,823,124 08	\$4,030,197 21	\$3,335,892 96
EQUIPMENT.			
Superintendence of equipment	\$163,745 82	\$145,647 13	\$138,091 81
Maintenance of cars	1,829,866 87	1,530,825 65	1,537,888 99
Maintenance of electrical equipment of cars	600,964 03	616,753 25	556,663 00
Shop expenses	346,672 62	267,364 00	260,432 60
Miscellaneous equipment, vehicles, horses, etc.	91,772 77	104,942 60	58,605 14
Depreciation of equipment	1,123,200 00	841,680 00	781,560 00
Total equipment	\$4,156,222 11	\$3,507,212 63	\$3,333,241 54
POWER.			
Superintendence of power	\$101,027 03	\$89,832 93	\$82,017 24
Maintenance of power plants	314,410 35	340,120 13	346,884 10
Depreciation of power plant buildings and equipment	499,200 00	400,800 00	601,200 00
Operation of power plants	1,904,645 90	2,263,978 16	2,231,817 57
Total power	\$2,819,283 28	\$3,094,731 22	\$3,261,918 91
CONDUCTING TRANSPORTATION.			
Superintendence of transportation	\$1,264,652 86	\$1,084,881 13	\$970,988 98
Passenger conductors, motormen and trainmen	7,531,498 41	7,043,938 40	6,442,707 49
Freight conductors, motormen and trainmen	14,299 00	15,706 17	13,957 87
Miscellaneous car service employees	301,694 02	282,737 65	278,650 32
Miscellaneous car service expenses	135,302 93	146,449 07	142,702 09
Station employees	793,733 53	753,913 14	720,977 04
Station expenses	267,274 16	203,314 57	209,368 86
Car house employees	1,008,684 85	855,498 88	803,570 03
Car house expenses	61,204 76	57,577 10	56,782 25
Operation of signal and telephone and telegraph lines	262,406 23	239,350 87	210,814 74
Other transportation expenses	184,484 27	222,575 70	190,302 15
Total conducting transportation	\$11,825,235 02	\$10,905,932 68	\$10,040,831 82

OPERATING EXPENSE ACCOUNTS — *Concluded.*

	1924.	1923.	1922.
TRAFFIC.			
Traffic	\$7,866 24	\$3,363 73	\$3,032 88
GENERAL AND MISCELLANEOUS.			
Salaries and expenses of general officers and clerks .	\$445,845 74	\$416,448 77	\$400,528 25
General office supplies and expenses	127,940 49	129,010 58	77,789 71
Law expenses	53,264 15	53,393 15	44,712 34
Relief department expenses, pensions and gratuities .	141,217 31	121,681 32	94,365 35
Miscellaneous general expenses	101,073 86	77,449 10	70,121 41
Injuries and damages	914,043 17	975,020 68	692,800 52
Insurance	282,532 03	316,413 99	290,157 08
Stationery and printing	86,301 64	96,726 62	121,134 97
Store, garage and stable expenses	398,591 02	360,951 94	309,172 83
Rent of tracks and facilities	33,403 49	34,548 59	23,275 28
Rent of equipment	27,079 52	28,284 08	21,012 97
Total general and miscellaneous	\$2,611,292 42	\$2,609,928 82	\$2,145,070 71
Transportation for investment	\$20,889 59 ¹	\$21,112 88 ¹	\$31,530 07 ¹
Total operating expenses	\$25,222,133 56	\$24,130,253 41	\$22,088,458 75

¹ Credit.

HISTORY OF THE 1919 LOAN ASSESSMENT ON CITIES AND TOWNS (CHAPTER 159, SPECIAL ACTS OF 1918).

Allocation of Assessment on Cities and Towns of Boston Elevated Deficit, Year ended June 30, 1919.

CITIES AND TOWNS.	Passengers.	Per Cent.	Amount.	Distribution of July, 1922, Repayment.	Distribution of July, 1923, Repayment.	Balance due.
Boston	2,100,423	71.9330	\$2,863,042 50	\$372,034 92	\$790,029 10	\$1,700,978 48
Cambridge	283,475	9.7081	386,397 11	50,209 95	106,622 54	229,564 62
Somerville	122,583	4.1981	167,090 75	21,712 43	46,106 54	99,271 78
Brookline	74,553	2.5532	101,621 23	13,205 06	28,040 99	60,375 18
Medford	59,754	2.0464	81,449 82	10,583 91	22,475 56	48,390 35
Malden	55,838	1.9123	76,112 44	9,890 35	21,002 65	45,219 44
Everett	54,823	1.8775	74,727 35	9,710 36	20,619 69	44,397 30
Watertown	41,198	1.4109	56,155 96	7,297 12	15,496 14	33,362 70
Arlington	32,477	1.1122	44,267 25	5,752 26	12,215 36	26,299 63
Chelsea	29,659	1.0157	40,426 40	5,253 17	11,154 86	24,018 37
Newton	27,201	.9316	37,079 09	4,818 20	10,231 84	22,029 05
Belmont	18,746	.6420	25,552 57	3,320 40	7,051 43	15,180 74
Quincy (Commonwealth of Massachusetts).	15,569	.5332	21,222 17	2,757 69	18,464 48	-
Stoneham (Commonwealth of Massachusetts).	3,674	.1258	5,007 03	650 63	4,356 40	-
Commonwealth of Massachusetts. ¹	-	-	-	-	690 24	* 690 24
Totals	2,919,973	100.00	\$3,980,151 67	\$517,196 45	\$1,114,557 82	\$2,348,397 40

Based on traffic counts made July 24, 25, 26, 27, 1919, in accordance with the provisions of section 14, chapter 159, Special Acts of 1918.

¹ From the July, 1923, repayment the Commonwealth of Massachusetts deducted \$690.24 to reimburse themselves for the difference between 126 days' interest at 4.28 per cent on \$4,000,000 (note issued July 17, 1919, due November 20, 1919) and \$3,980,151.67, the amount paid to the Boston Elevated Railway Company \$297 33
And interest from July 17, 1919, to July 19, 1923, on amount the State deducted to pay assessment of Quincy and Stoneham 392 91

Amount of expense to State to be assessed to towns and cities pro rata to their original contribution \$690 24

² Credit.

BOSTON ELEVATED RAILWAY COMPANY,
TRUSTEE.

STATEMENT OF SPECIAL TRUST FUND, DECEMBER 31, 1924.

Principal of trust fund as established	\$1,500,000 00
Accretions and accumulations to December 31, 1924	620,899 80
Total special trust fund	\$2,120,899 80
 Income from June 10, 1922, to December 31, 1924	 \$217,888 48
Less amount paid on account of retirement of second preferred stock, as follows:	
718½ shares purchased July, 1923	\$72,193 40
919 shares purchased July, 1924	90,319 68
	162,513 08
	\$55,375 40
 Investments	 \$2,108,291 84
 Cash on deposit	 \$67,983 36

ANNUAL REPORT

OF THE

PUBLIC TRUSTEES OF THE BOSTON ELEVATED RAILWAY

FOR THE

Year ending December 31, 1925

ANNUAL REPORT

OF THE

PUBLIC TRUSTEES OF THE BOSTON ELEVATED RAILWAY

FOR THE

Year ending December 31, 1925

BOARD OF TRUSTEES

(Appointed by the Governor of Massachusetts, pursuant to
Chapter 159 of the Special Acts of 1918.)

SAMUEL L. POWERS, *Chairman*

WINTHROP COFFIN

STANLEY R. MILLER

ANDREW MARSHALL

J. FRANK O'HARE

OFFICERS

(Appointed by the Trustees.)

EDWARD DANA *General Manager*

HENRY L. WILSON *Treasurer.*

JOHN H. MORAN *General Auditor.*

H. WARE BARNUM *General Counsel.*

RUSSELL A. SEARS *General Claims Attorney.*

REPORT OF THE BOARD OF PUBLIC TRUSTEES OF THE BOSTON ELEVATED RAILWAY

The Public Trustees of the Boston Elevated Railway respectfully submit their seventh annual report.

RESULTS OF OPERATION

The calendar year 1925 has shown a balance of receipts above cost of service of \$502,193.85. Close supervision of expenditures has been necessary to reach this result. Basic wage rates of 72½ cents per hour for surface motor-men and conductors, established by the 1924 arbitration award, were continued unchanged by the arbitration board of 1925, which, however, increased the differential for one-man car and bus operators from 8 cents to 10 cents per hour above the basic rate.

In order to meet the situation created by the 1924 award the car repair shops were operated throughout the greater part of the year on a 5-day week, track reconstruction was reduced somewhat below the average amount necessary, car mileage operated was reduced 500,000, one-man car operation was considerably increased, and many lesser economies put in effect.

Reduction in cost of power and cost of accidents together with an increase of \$386,716.13 in operating revenues, materially assisted in reaching the favorable result shown.

The seventh full year of public operation closed on June 30, 1925, with a balance of receipts over cost of service of \$20,581.33, which amount was repaid to the cities and towns served by the railway.

A gratifying increase in riding and revenue during the latter part of 1925 and early 1926 has permitted the resumption of full time work in the shops and a substantial increase in the number of car trips and car miles operated.

RECEIPTS AND EXPENDITURES

The following comparative tables present a summary of receipts and expenditures for the past five calendar years and the allocation of cost of service per revenue passenger for the year ending December 31, 1925:

Comparative Division of Receipts and Expenditures for Year Ending Dec. 31.

	1925	1924	1923	1922	1921
Total receipts	\$34,547,379.61	\$34,175,319.61	\$34,096,813.26	\$32,699,176.37	\$33,277,025.53
Operating expenses:					
Wages	\$16,931,549.57	\$17,358,670.49	\$16,224,275.94	\$14,772,340.42	\$15,563,255.53
Material and other items	3,175,981.86	3,203,378.92	3,236,805.32	2,903,650.98	3,093,934.69
Injuries and damages . . .	666,488.49	740,025.39	822,775.24	555,355.59	518,249.02
Depreciation	2,496,000.00	2,496,000.00	2,004,000.00	2,004,000.00	2,004,000.00
Fuel	1,135,715.65	1,424,058.76	1,842,396.91	1,853,111.76	1,663,617.75
Total operating expenses	\$24,405,735.57	\$25,222,133.56	\$24,130,253.41	\$22,088,458.75	\$22,843,056.99
Taxes	1,652,517.57	1,623,995.65	1,688,139.91	1,587,186.83	1,546,758.15
Rent of leased roads (in- cluding dividend rental under chapter 159, Acts of 1918)	3,169,448.86	3,175,566.55	3,185,577.67	3,646,595.75	4,203,061.72
Subway and tunnel rents	2,217,470.08	2,125,593.96	2,026,936.52	2,008,414.25	1,963,737.78
Interest on bonds and notes	2,540,909.21	2,602,891.00	2,316,026.54	1,891,315.57	1,494,258.43
Miscellaneous items . . .	59,104.47	61,835.29	70,247.65	65,016.14	54,707.59
Total cost of service . . .	\$34,045,185.76	\$34,812,016.01	\$33,417,181.70	\$31,286,987.29	\$32,105,580.66
Loss for year . . . . .	.....	\$636,696.40	.....	.....	.....
Gain for year	\$502,193.85	.....	\$679,631.56	\$1,412,189.08	\$1,171,444.87

Profit and Loss Items not included in above.

BOSTON ELEVATED RAILWAY

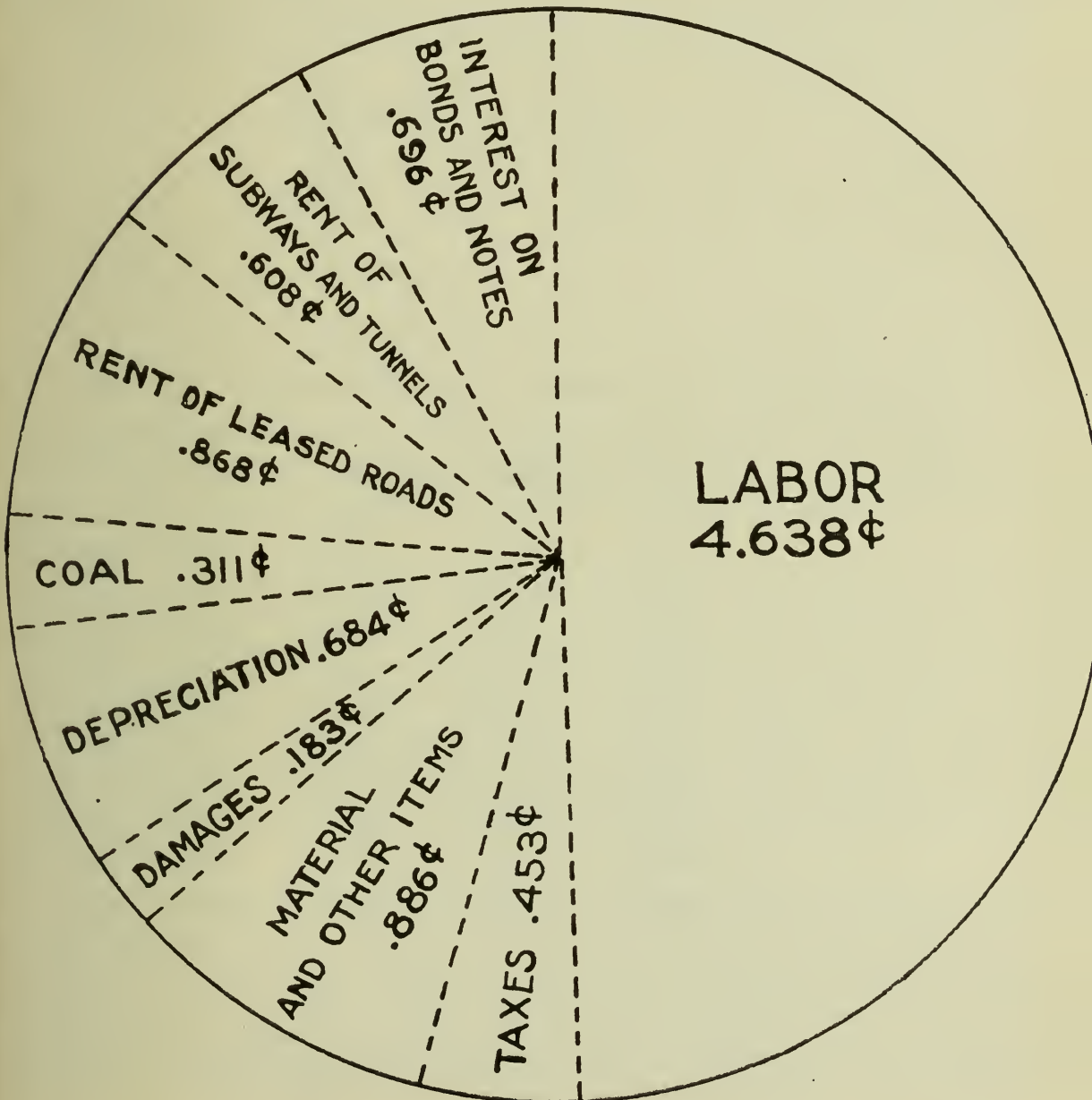
ALLOCATION OF COST OF SERVICE PER PASSENGER

12 MONTHS ENDING DECEMBER 31, 1925.

AVERAGE RECEIPTS PER REVENUE PASSENGER 9.464¢

COST OF SERVICE **9.327¢** PER REVENUE PASSENGER

DIVIDED AS FOLLOWS



Traffic Statistics, Year Ending December 31.

	1925	1924	1923	1922
Round trips operated	7,185,587	6,994,749	6,488,082	6,059,531
Passenger revenue	\$33,790,441.73	\$33,419,172.22	\$33,297,951.50	\$31,834,022.77
Passenger revenue per car mile (cents)	60.93	59.69	61.61	62.94
Passenger revenue per car hour	\$5.86	\$5.67	\$5.71*	\$7.09
Passenger revenue mileage	55,461,094†	55,988,679†	54,049,665†	50,575,088†
Passenger revenue car hours	5,767,957	5,894,115	5,826,993*	4,487,400
Revenue passengers carried	365,036,286	382,888,848	382,149,697	356,593,942
Revenue passengers carried per car mile	6.582	6.838	7.070	7.051
Revenue passengers carried per car hour	63.28	64.96	65.58*	79.47

*Car hours, American Electric Railway Association Standard, adopted February 1, 1923.

†Including motor bus mileage

1922	63,937
1923	465,382
1924	890,901
1925	2,472,456

Comparative Passenger Statistics—Revenue Passengers Carried.

Year	Week Day Average	Saturday Average	Sunday Average	Holiday Average	Total for Year
1925	1,066,317	1,172,871	577,200	660,007	365,036,286*
1924	1,109,861	1,216,132	630,755	727,191	382,888,848*
1923	1,109,274	1,196,301	652,404	758,915	382,149,697*
1922	1,030,303	1,144,320	617,148	691,890	356,593,942*
1921	975,745	1,068,295	578,860	696,691	337,252,080
1920	960,737	1,072,319	591,063	703,634	335,526,561
1919	934,918	1,078,635	596,182	706,429	324,758,685
1918	985,384	1,147,809	658,902	775,634	348,664,700
1917	1,073,943	1,249,588	728,847	857,902	381,017,338
1916	1,050,038	1,218,749	718,804	832,962	373,577,908
1915	992,283	1,140,046	685,726	846,860	352,469,586

*NOTE—During the years 1922, 1923 and 1924, one passenger making a single journey for which he might pay two five-cent fares was counted as two revenue passengers. The substitution in November, 1924, of six-cent tickets for five-cent cash fares has often resulted in the payment of a ten-cent fare by such a passenger with a consequent reduction in the company's figures of total revenue passengers carried, though the gross passenger revenue for the year 1925, which increased \$371,269.51, would indicate substantially the same number of passengers carried by the railway in 1925 and 1924.

At the present time there are twenty-five routes in operation employing 157 machines. In connection with this business the chartering of special buses in place of special cars and supplementary to special car service is being developed. Last year the revenue from this special bus service amounted to \$15,130.07.

OPERATING CHANGES AND BETTERMENTS

During the year new garages accommodating 56 buses each have been constructed at the Arborway near Forest Hills, and Salem Street, Medford, and the first unit of the Lotus Place car repair house has been practically completed.

New lobby buildings in which are contained waiting and locker rooms for motormen and conductors, as well as rooms for making out their returns and reports, have been constructed at Arborway, Reservoir, Lake Street and Allston.

A prepayment station has been constructed at Egleston Square and an area provided at Kendall Square for interchange between Cambridge Subway trains and buses operating from this point.

The stairway between Park Street Under and Park Street northbound platform was widened by the Transit Department and the pits in which the trains run in six of the subway and tunnel stations have been concreted so as to permit ready cleaning and washing.

A new entrance has been provided at Sullivan Square giving greater convenience to passengers entering the station.

During the year actual construction of the Dorchester Tunnel Extension was begun by the Transit Department of the City of Boston. The first section of the work has been completed and substantial progress made upon the second section.

13.383 miles of track and special work have been rebuilt and 2.31 miles extensively repaired.

All-night service of cars in the Boylston Street Subway has been inaugurated and a system of stopping cars at particular berths established in subway stations.

Stopping places on certain lines have been relocated, thereby reducing the number of stops and speeding up the service, with resultant economies.

In an attempt to encourage parking of automobiles outside of the congested centers and inducing such riders to make their journey into the city by rapid transit, an experiment was made of leasing land located near the Everett Terminal for this purpose.

Direct connection of a large garage adjacent thereto with the Kendall Square station of the Cambridge Subway awaits action by the Legislature authorizing the Department of Public Utilities to act for the Commonwealth in giving necessary permission.

PASSENGER CARS AND BUSES OWNED

Surface Cars

	1925	1924	1918
Semi-convertible cars	440	443	453
Semi-convertible cars—one or two-man type	419*	344	
Center entrance cars	396	396	100
Trailer cars	220	220	174
One-man cars (Birney type)	36	36	1
Articulated cars (40' and 50' type)		30	177
Box cars	138	183	1,113
Open cars . . . . .	....	....	1,354
Total surface passenger cars	1,649	1,652	3,372

Rapid Transit Lines

Elevated cars, wood and steel	98	98	169
Elevated cars, steel	227	227	162
Cambridge Subway cars, steel	95	95	60
East Boston Tunnel cars, steel	48	48	....
Total rapid transit passenger cars	468	468	391
Total surface and rapid transit cars	2,117	2,120	3,763

Passenger Motor Buses

25 Passenger buses	66	33	....
29 Passenger buses	3	2	....
Total buses	69†	35‡	....
Total passenger cars and buses owned	2,186	2,155	3,763

*42 additional cars of this type are on order.

†In addition, the Boston Elevated Railway were, on December 31, 1925, operating 80 leased buses.

‡In addition, the Boston Elevated Railway were, on December 31, 1924, operating 30 leased buses.

CARS

Ninety new No. 5 type cars of an order of 100 placed in July, 1925, have been received and placed in service.

It is interesting to note that of the 82,450 cars in the United States 34% are over twenty years of age, while on the Boston Elevated only 12.7% of the passenger cars now in service are over twenty years old.

Sixty cars of the Cambridge Subway type have been ordered to provide for operating the Dorchester Rapid Transit extension when completed.

ACCIDENT RECORD

An improvement has been made during this year in the accident record. Operating charges on this account were reduced from \$914,043.17 in 1924 to \$846,235.82.

Accidents Per Million Car Miles

	1925	1924
One-man Cars	204	205
Two-man Cars	245	249

POWER

The power plant equipment recently installed as well as minor improvements made during the year have resulted in a record of efficient operation during the last twelve months.

The average pounds of coal consumed per kw. hr. D. C. at the cars was 1,973 in 1925 as compared with 2,068 last year. This is the lowest of any year in the history of the railway. The average cost of coal per ton during 1925 was \$5.22, as compared with \$5.921 last year, and is also the lowest since 1917. There was a reduction of 23,078 tons of coal burned as compared with 1924.

A number of important minor improvements have been made during the year such as the provision of a 100,000 gallon storage water tank at South Boston as emergency reservoir, new boiler feed pumps, air compressor equipment, additional rotary at Kendall Sq. and installation of automatic equipment at Oak Sq. sub-station.

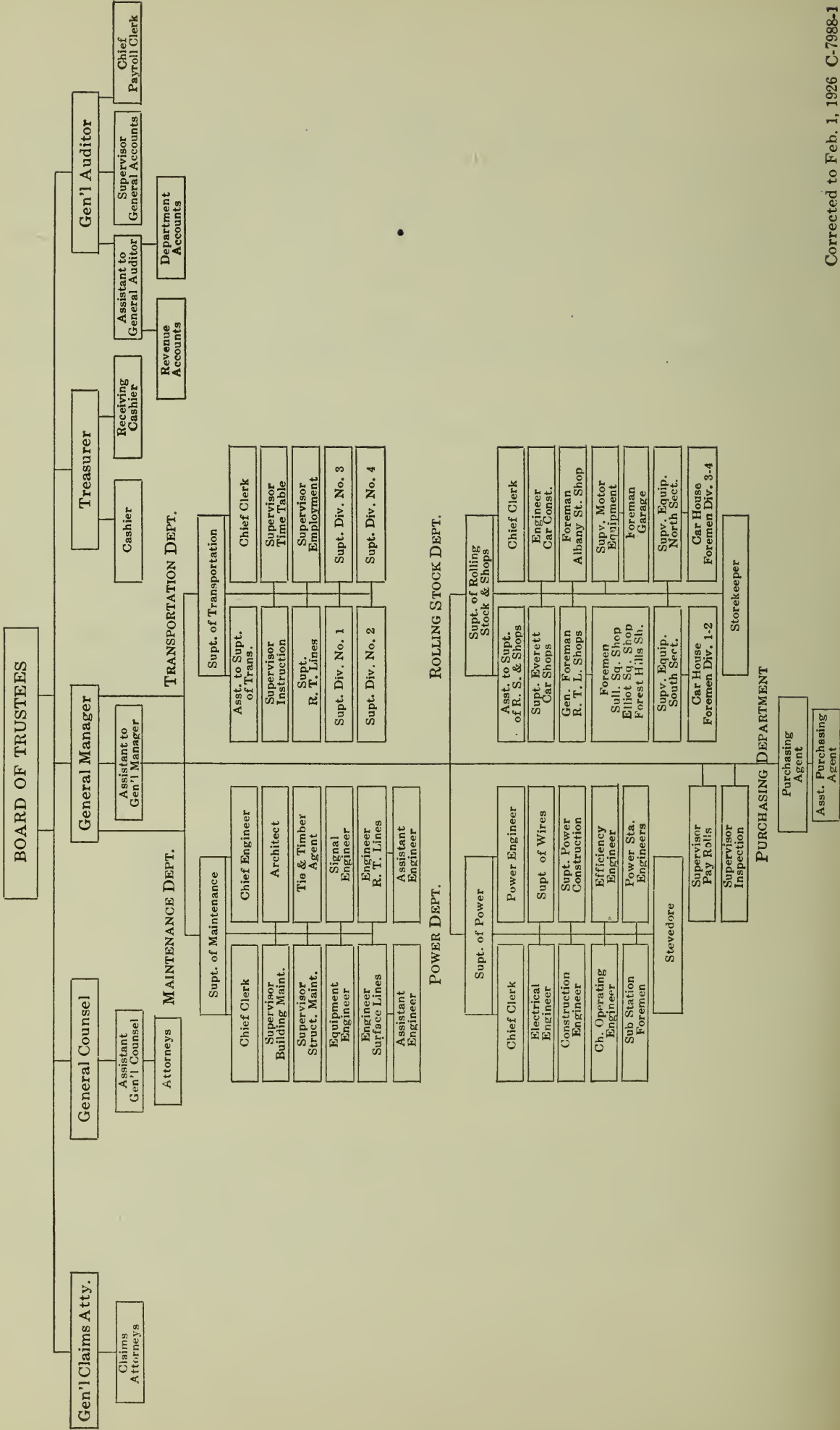
	1925	1924	1923	1922	1921	1920	1919
Tons of coal burned	217,414	240,493	260,032	273,441	215,870	258,087	287,670
Pounds of coal per kilowatt hour	1.973	2.068	2.264	2.553	2.174	2.353	2.835
Average price of coal per ton	\$5.22	\$5.921	\$7.065	\$6.777	\$7.71	\$10.07	\$5.91
Net cost of power for car service per kilowatt hour (cents)	1.021	1.093	1.227	1.414	1.172	1.921	1.307
Net cost of power per total revenue car mile (cents)	4.428	4.833	5.468	6.153	4.815	8.538	5.439
Direct current annual output (kilowatts)	246,835,300	260,401,225	257,270,357	239,905,874	222,461,060	245,676,503	239,892,118
Direct current maximum hour output (kilowatts)	85,660	86,245	82,965	78,755	75,905	72,295	71,760

THE IMMEDIATE FUTURE

For several years this Board in its annual reports and before committees of the General Court has called attention to existing limitations upon the raising of new capital for desirable improvements of the Railway. That matter has been recently considered by a special recess commission whose report is now before your two branches. Nothing new or additional can be written at this time. Pending some action on that report by you this Board feels it must be necessarily restricted to operating the Railway at the highest efficiency possible with existing facilities and property purchased from time to time from the allowance to offset the annual exhaustion of depreciable property.

SAMUEL L. POWERS,
 WINTHROP COFFIN,
 ANDREW MARSHALL,
 STANLEY R. MILLER,
 J. FRANK O'HARE.

BOSTON ELEVATED RAILWAY, GENERAL ORGANIZATION



1 Federal Street, Boston 9, January 30, 1926.

MR. SAMUEL L. POWERS, *Chairman*,
MR. WINTHROP COFFIN,
MR. ANDREW MARSHALL,
MR. STANLEY R. MILLER,
MR. J. FRANK O'HARE,

Trustees

Boston Elevated Railway,
Boston, Massachusetts.

Sirs:

We have examined the accounts of the Boston Elevated Railway for the year ending December 31, 1925, and we report upon the railway's financial statements for the year, presented herewith, as follows:

Road and equipment are shown at book values. In our opinion, adequate provision for depreciation has been made for the year under review, in pursuance of the plan for depreciation reserves followed by the Public Trustees from July 1, 1918.

The securities owned by the railway were produced for our inspection and are carried at cost values, which, in the aggregate, are less than the total market values. We have verified the current assets as shown by the books, and have satisfied ourselves that the liabilities are correctly stated.

WE HEREBY CERTIFY that, subject to the foregoing comments, the accompanying balance sheet is in accordance with the books and correctly states the financial condition of the Boston Elevated Railway at December 31, 1925, and that the operating results for the year 1925 are fairly presented in the accompanying income statement.

Respectfully submitted,

PATTERSON, TEELE & DENNIS,
Accountants and Auditors.

GENERAL BALANCE SHEET

DEBITS	Dec. 31, 1925	Dec. 31, 1924	Dec. 31, 1923
INVESTMENTS			
Road and equipment:			
Way and structures	\$61,591,019.11	\$61,477,855.69	\$60,895,143.85
Equipment	25,485,197.59	24,966,763.74	23,915,042.10
Power	17,665,559.02	17,452,644.77	16,545,809.30
General and Miscellaneous	1,902,597.66	1,893,554.61	1,881,601.30
Total road and equipment	\$106,644,373.38	\$105,790,818.81	\$103,237,596.55
Miscellaneous physical property	\$58,889.12	\$58,889.12	\$112,348.82
Other investments:			
Stocks	\$2,552.50	\$2,552.50	\$2,552.50
Notes	229,700.00	155,250.00	453,200.00
Advances, Road and Equipment:			
Eastern Massachusetts Street Railway Company . .	119,283.19	114,346.66	143,562.99
Total other investments	\$351,535.69	\$272,149.16	\$599,315.49
Total investments	\$107,054,798.19	\$106,121,857.09	\$103,949,260.86

GENERAL BALANCE SHEET

CREDITS	Dec. 31, 1925	Dec. 31, 1924	Dec. 31, 1923
STOCK			
Capital stock:			
First preferred stock	\$6,400,000.00	\$6,400,000.00	\$6,400,000.00
Second preferred stock	13,754,500.00	13,866,100.00	13,957,700.00
Preferred stock	3,000,000.00	3,000,000.00	3,000,000.00
Common stock	23,879,400.00	23,879,400.00	23,879,400.00
Total capital stock	\$47,033,900.00	\$47,145,500.00	\$47,237,100.00
Premium on capital stock:			
Second preferred stock	\$2,232,477.02	\$2,232,477.02	\$2,232,477.02
Common stock	2,707,428.13	2,707,428.13	2,707,428.13
Total premium on capital stock	\$4,939,905.15	\$4,939,905.15	\$4,939,905.15
Total stock	\$51,973,805.15	\$52,085,405.15	\$52,177,005.15
LONG-TERM DEBT			
Funded debt unmatured:			
Miscellaneous obligations:			
6% 5-yr. Boston Elev. Ry. bonds, due Mar. 1, 1924 . . . . .	....	....	\$1,500,000.00
7% 6-yr. W. E. St. Ry. Co. bonds, due Aug. 1, 1924 . . . . .	....	....	1,581,000.00
6½% 5-yr. W. E. St. Ry. Co. bonds, due Feb. 1, 1927	\$2,700,000.00	\$2,700,000.00	2,700,000.00
6% 5-yr. W. E. St. Ry. Co. bonds, due May 1, 1927	1,956,000.00	1,956,000.00	1,956,000.00
4½% 20-yr. W. E. St. Ry. Co. bonds, due July 1, 1930	1,604,000.00	1,604,000.00	1,604,000.00
4% 30-yr. W. E. St. Ry. Co. bonds, due Aug. 1, 1932	5,709,000.00	5,709,000.00	5,709,000.00
5% 20-yr. W. E. St. Ry. Co. bonds, due Nov. 1, 1932	600,000.00	600,000.00	600,000.00
6% 10-yr. Boston Elev. Ry. bonds, due June 1, 1933	3,000,000.00	3,000,000.00	3,000,000.00
6% 10-yr. Boston Elev. Ry. bonds, due Mar. 1, 1934	2,098,000.00	2,098,000.00	....
5½% 10-yr. Boston Elev. Ry. bonds, due Aug. 1, 1934	1,581,000.00	1,581,000.00	....
4% 30-yr. Boston Elev. Ry. bonds, due May 1, 1935	8,500,000.00	8,500,000.00	8,500,000.00
5% 20-yr. W. E. St. Ry. Co. bonds, due May 1, 1936	815,000.00	815,000.00	815,000.00
4½% 30-yr. Boston Elev. Ry. bonds, due Oct. 1, 1937	4,800,000.00	4,800,000.00	4,800,000.00
4½% 30-yr. Boston Elev. Ry. bonds, due Nov. 1, 1941	5,000,000.00	5,000,000.00	5,000,000.00
5% 30-yr. Boston Elev. Ry. bonds, due Dec. 1, 1942	8,286,000.00	8,286,000.00	8,286,000.00
5% 30-yr. W. E. St. Ry. Co. bonds, due Mar. 1, 1944	2,600,000.00	2,600,000.00	2,600,000.00
7% 30-yr. W. E. St. Ry. Co. bonds, due Sept. 1, 1947	570,000.00	570,000.00	570,000.00
Total bonds	\$49,819,000.00	\$49,819,000.00	\$49,221,000.00
Mortgage notes	125,000.00	125,000.00	125,000.00
Total funded debt unmatured	\$49,944,000.00	\$49,944,000.00	\$49,346,000.00
Total long-term debt	\$49,944,000.00	\$49,944,000.00	\$49,346,000.00

GENERAL BALANCE SHEET—*Concluded*

DEBITS	Dec. 31, 1925	Dec. 31, 1924	Dec. 31, 1923
CURRENT ASSETS			
Cash	\$750,385.29	\$2,237,296.37	\$1,280,272.53
Special deposits:			
Interest, dividends and rents unpaid	\$792,860.50	\$796,101.50	\$794,613.25
Reserve fund, chapter 159, Special Acts 1918	369,133.12	....	243,031.99
Funds available for capital expenditures only . . .	37,000.00	37,000.00	45,000.00
Total special deposits	\$1,198,993.62	\$833,101.50	\$1,082,645.24
Loans and notes receivable . . . . .	....	9,000.00	....
Miscellaneous accounts receivable	200,313.99	197,754.22	148,305.78
Material and supplies	2,272,808.12	2,973,479.61	3,200,985.74
Interest, dividends and rents receivable	17,147.70	15,052.34	51,441.40
Other current assets	39,232.11	39,337.66	35,882.90
Total current assets	\$4,478,880.33	\$6,305,021.70	\$5,799,533.59
DEFERRED ASSETS			
Insurance and other funds	2,936,045.86	2,923,449.80	2,975,761.20
Total deferred assets	\$2,936,045.86	\$2,923,449.80	\$2,975,761.20
UNADJUSTED DEBITS			
Rents and insurance premiums paid in advance . . .	\$181,558.40	\$198,067.92	\$251,972.97
Discount on funded debt	482,395.35	522,990.51	559,832.29
Other unadjusted debits:			
Cost of service deficit for twelve months ending June 30, 1919. as provided for by Commonwealth of Massachusetts, chapter 159, special acts of 1918 . .	2,327,816.07	2,348,397.40	2,348,397.40
Other unadjusted debits	73,330.68	198,796.24	179,423.60
Total other unadjusted debits	\$2,401,146.75	\$2,547,193.64	\$2,527,821.00
Total unadjusted debits	\$3,065,100.50	\$3,268,252.07	\$3,339,626.26
Total debits	\$117,534,825.38	\$118,618,580.66	\$116,064,181.91

GENERAL BALANCE SHEET—*Concluded*

CREDITS	Dec. 31, 1925	Dec. 31, 1924	Dec. 31, 1923
CURRENT LIABILITIES			
Loans and notes payable	\$2,800,000.00	\$5,200,000.00	\$3,934,172.50
Audited accounts and wages payable	846,324.89	1,242,700.05	1,363,820.74
Matured interest, dividends and rents unpaid	794,066.00	797,307.00	795,818.75
Accrued interest, dividends and rents payable:			
Accrued interest on funded debt	\$533,080.43	\$533,080.43	\$531,001.68
Accrued interest on loans and notes payable . . . . .	....	....	196.40
Accrued rents, leased roads, other companies	6,618.34	6,659.24	8,189.82
Accrued rents, subways and tunnels	91,941.66	89,778.34	88,313.34
Accrued rents, leased roads, B. E. Ry. Co., dividend rental	240,703.75	242,656.75	244,259.75
Total accrued interest, dividends and rents payable	\$872,344.18	\$872,174.76	\$871,960.99
Total current liabilities	\$5,312,735.07	\$8,112,181.81	\$6,965,772.98
* DEFERRED LIABILITIES			
Other deferred liabilities	38,680.22	40,300.12	40,323.51
Total deferred liabilities	\$38,680.22	\$40,300.12	\$40,323.51
UNADJUSTED CREDITS			
Tax liability	\$633,630.64	\$660,105.32	\$664,671.75
Premium on funded debt	\$238,709.90	\$267,123.74	\$274,555.14
Operating reserves:			
Injury and damage reserve	784,353.97	933,202.98	1,031,804.09
Total operating reserves	\$784,353.97	\$933,202.98	\$1,031,804.09
Accrued depreciation—road and equipment	\$6,122,962.98	\$4,431,798.89	\$3,101,465.82
Other unadjusted credits:			
Outstanding tickets and checks	\$148,249.90	\$122,329.19	\$56,026.84
Amount advanced by Commonwealth of Massachusetts under chapter 159, Special Acts of 1918, account deficit of cost of service for 12 months ending June 30, 1919	2,327,816.07	2,348,397.40	2,348,397.40
Other unadjusted credits . . . . .	....	5,504.76	3,954.76
Total other unadjusted credits	\$2,476,065.97	\$2,476,231.35	\$2,408,379.00
Total unadjusted credits	\$10,255,723.46	\$8,768,462.28	\$7,480,875.80
CORPORATE SURPLUS			
Miscellaneous fund reserves	\$412,207.03	\$412,207.03	\$412,207.03
Profit and loss—Period to June 30, 1918	*76,109.21	*76,109.21	*98,869.06
Profit and Loss—Period since July 1, 1918	*362,200.05	*823,131.69	*375,110.07
Profit and loss, arising out of consolidation with West End St. Ry. Co., June 10, 1922	35,983.71	155,265.17	115,976.57
Total corporate surplus	\$9,881.48	*\$331,768.70	\$54,204.47
Total credits	\$117,534,825.38	\$118,618,580.66	\$116,064,181.91

INCOME STATEMENT

	Twelve Months ending Dec. 31, 1925	Twelve Months ending Dec. 31, 1924	Twelve Months ending Dec. 31, 1923
OPERATING INCOME			
Passenger revenue	\$32,906,220.11	\$33,072,029.64	\$33,146,803.15
Passenger motor bus revenue	853,706.68	331,223.37	135,238.40
Special car revenue	30,514.94	15,919.21	15,909.95
Mail revenue	176.73	228.92	326.70
Express revenue	38,205.06	44,223.59	50,058.33
Miscellaneous transportation revenue	4,363.29	4,532.88	2,475.27
Total revenue from transportation	\$33,833,186.81	\$33,468,157.61	\$33,350,811.80
Station and car privileges	\$338,345.05	\$331,842.34	\$329,003.18
Rent of tracks and facilities	55,868.81	32,101.13	29,275.90
Rent of equipment	3,823.57	6,833.54	5,236.45
Rent of buildings and other property	94,518.75	101,277.77	106,175.26
Power	78,092.47	88,157.19	110,133.90
Miscellaneous	28,462.34	17,212.09	16,376.06
Total revenue from other railway operations	\$599,110.99	\$577,424.06	\$596,200.84
Total railway operating revenues	\$34,432,297.80	\$34,045,581.67	\$33,947,012.64
Railway operating expenses:			
Way and structures	\$3,766,615.55	\$3,823,124.08	\$4,030,197.21
Equipment	3,900,956.41	4,156,222.11	3,507,212.63
Power	2,536,179.09	2,819,283.28	3,094,731.22
Conducting transportation	11,567,233.19	11,825,235.02	10,905,932.68
Traffic	3,239.51	7,866.24	3,363.73
General and miscellaneous	2,656,275.42	2,611,292.42	2,609,928.82
Transportation for investment	24,713.60*	20,889.59*	21,112.88*
Total railway operating expenses	\$24,405,735.57	\$25,222,133.56	\$24,130,253.41
Per cent. of operating expenses to operating revenues	70.88	74.08	71.08
Per cent. of operating expenses to operating and non- operating income	70.64	73.80	70.77
Net revenue, railway operations	\$10,026,562.23	\$8,823,448.11	\$9,816,759.23
Taxes assignable to railway operations	\$1,652,517.57	\$1,623,995.65	\$1,688,139.91
Operating income	\$8,374,044.66	\$7,199,452.46	\$8,128,619.32

*Credit

INCOME STATEMENT—*Concluded*

	Twelve Months ending Dec. 31, 1925	Twelve Months ending Dec. 31, 1924	Twelve Months ending Dec. 31, 1923
NON-OPERATING INCOME			
Income from lease of road	\$50.00	\$393.10	\$823.40
Net income from miscellaneous physical property . .	486.71	....	1,935.14
Dividend income	3.50	3.50	9,183.50
Income from funded securities	11,286.54	19,147.19	16,400.71
Income from unfunded securities and accounts . .	39,583.34	43,316.87	58,505.33
Income from sinking fund and other reserves . . .	33,280.00	33,280.00	33,280.00
Balance of premiums on funded debt	28,413.84	28,737.92	27,568.30
Miscellaneous income	1,977.88	4,912.48	2,104.24
Total non-operating income	\$115,081.81	\$129,791.06	\$149,800.62
Gross income	\$8,489,126.47	\$7,329,243.52	\$8,278,419.91
DEDUCTIONS FROM GROSS INCOME			
Rent for leased roads:			
Boston Elevated Railway Co., dividend rental . .	\$3,119,532.00	\$3,127,015.00	\$3,133,065.63
Other roads	49,916.86	48,551.55	52,512.04
Total rent for leased roads	\$3,169,448.86	\$3,175,566.55	\$3,185,577.67
Miscellaneous rents	2,217,470.08	2,125,593.96	2,026,936.52
Net loss on miscellaneous physical property . . . .	....	53.12	....
Interest on funded debt	2,422,935.00	2,430,788.75	2,289,214.58
Interest on unfunded debt	117,974.21	172,102.25	26,811.96
Amortization of discount on funded debt	40,595.16	43,365.86	51,120.54
Miscellaneous debits	18,509.31	18,469.43	19,127.11
Total deductions from gross income	\$7,986,932.62	\$7,965,939.92	\$7,598,788.38
Balance after cost of service	\$502,193.85	\$636,696.40†	\$679,631.56

†Debit.

OPERATING EXPENSE ACCOUNTS

	1925	1924	1923
WAY AND STRUCTURES			
Superintendence of way and structures	\$300,059.42	\$289,415.84	\$248,982.68
Maintenance of track and roadway	1,674,982.97	1,716,104.40	1,839,136.58
Removal of snow and ice	102,010.21	112,752.16	312,987.31
Roadway structures	139,971.48	89,911.94	100,635.52
Signal and telephone and telegraph lines	45,461.53	58,139.79	34,844.51
Other miscellaneous way expenses	28,500.39	25,809.44	24,374.50
Maintenance of electric line equipment	268,596.39	276,938.19	286,168.36
Maintenance of buildings, fixtures and grounds	408,313.16	280,452.32	421,547.75
Depreciation of way and structures	798,720.00	873,600.00	761,520.00
Total way and structures	\$3,766,615.55	\$3,823,124.08	\$4,030,197.21
EQUIPMENT			
Superintendence of equipment	\$166,114.08	\$163,745.82	\$145,647.13
Maintenance of cars	1,636,119.80	1,829,866.87	1,530,825.65
Maintenance of electrical equipment of cars	548,260.30	600,964.03	616,753.25
Shop expenses	305,027.05	346,672.62	267,364.00
Miscellaneous equipment	97,275.18	91,772.77	104,942.60
Depreciation of equipment	1,148,160.00	1,123,200.00	841,680.00
Total equipment	\$3,900,956.41	\$4,156,222.11	\$3,507,212.63
POWER			
Superintendence of power	\$109,674.73	\$101,027.03	\$89,832.93
Maintenance of power plants	252,174.07	314,410.35	340,120.13
Depreciation of power plant buildings and equipment	549,120.00	499,200.00	400,800.00
Operation of power plants	1,625,160.29	1,904,645.90	2,263,978.16
Total power	\$2,536,129.09	\$2,819,283.28	\$3,094,731.22
CONDUCTING TRANSPORTATION			
Superintendence of transportation	\$1,260,224.22	\$1,264,652.86	\$1,084,881.13
Passenger conductors, motormen and trainmen	7,264,106.43	7,531,498.41	7,043,938.40
Freight conductors, motormen and trainmen	12,090.14	14,299.00	15,706.17
Miscellaneous car service employees	283,360.41	301,694.02	282,737.65
Miscellaneous car service expenses	124,853.23	135,302.93	146,449.07
Station employees	816,813.28	793,733.53	753,913.14
Station expenses	295,135.19	267,274.16	203,314.57
Car house employees	990,106.64	1,008,684.85	855,488.88
Car house expenses	61,887.89	61,204.76	57,577.10
Operation of signal and telephone and telegraph lines	268,245.54	262,406.23	239,350.87
Other transportation expenses	190,410.22	184,484.27	222,575.70
Total conducting transportation	\$11,567,233.19	\$11,825,235.02	\$10,905,932.68

OPERATING EXPENSE ACCOUNTS—*Concluded*

	1925	1924	1923
TRAFFIC			
Traffic	\$3,239.51	\$7,866.24	\$3,863.73
GENERAL AND MISCELLANEOUS			
Salaries and expenses of general officers and clerks . .	\$447,342.98	\$445,845.74	\$416,448.77
General office supplies and expenses	157,752.22	127,940.49	129,010.58
Law expenses	67,139.30	53,264.15	53,393.15
Relief department expenses, pensions and gratuities . .	180,028.88	141,217.31	121,681.32
Miscellaneous general expenses	118,702.10	101,073.86	77,449.10
Injuries and damages	846,235.82	914,043.17	975,020.68
Insurance	271,968.70	282,532.03	316,413.99
Stationery and printing	83,259.55	86,301.64	96,726.62
Store, garage and stable expenses	384,051.76	398,591.02	360,951.94
Rent of tracks and facilities	22,193.65	33,403.49	34,548.59
Rent of equipment	77,600.37	27,079.52	28,284.08
Total general and miscellaneous	\$2,656,275.42	\$2,611,292.42	\$2,609,928.82
TRANSPORTATION FOR INVESTMENT	*24,713.60	*20,889.59	*21,112.88
Total operating expenses	\$24,405,735.57	\$25,222,133.56	\$24,130,253.11

*Credit

REVENUE PASSENGERS CARRIED

		5c Fares	6c Fares	7c Fares	8c Fares	10c Fares	Pupils' Tickets 5c	Special Car Special Bus Passengers (See Note)	Total Revenue Passengers	Per Cent Yearly Increase
1897	Year ending Sept. 30	172,554,514	—	—	—	—	—	—	172,554,514	3.41
1898	" "	181,321,295	—	—	—	—	—	—	181,321,295	5.08
1899	" "	191,023,224	—	—	—	—	—	—	191,023,224	5.35
1900	" "	201,124,710	—	—	—	—	—	—	201,124,710	5.29
1901	" "	213,703,983	—	—	—	—	—	—	213,703,983	6.25
1902	" "	222,484,811	—	—	—	—	—	—	222,484,811	4.11
1903	" "	233,563,578	—	—	—	—	—	—	233,563,578	4.99
1904	" "	241,681,945	—	—	—	—	—	—	241,681,945	3.48
1905	" "	246,941,776	—	—	—	—	—	—	246,941,776	2.18
1906	" "	262,267,240	—	—	—	—	—	—	262,267,240	6.21
1907	" "	271,084,815	—	—	—	—	—	—	271,084,815	3.36
1908	" "	272,990,357	—	—	—	—	—	142,227	273,132,584	0.76
1909	" "	280,825,809	—	—	—	—	—	182,662	281,008,471	2.88
1910	9 months to June 30	220,029,283	—	—	—	—	—	98,607	220,127,890	5.31*
1911	Year ending June 30	304,826,768	—	—	—	—	—	271,897	305,098,665	4.45
1912	" "	310,077,600	—	—	—	—	—	232,409	310,310,009	1.71
1913	" "	326,148,553	—	—	—	—	—	204,310	326,352,863	5.17
1914	" "	342,962,091	—	—	—	—	—	218,958	343,181,049	5.16
1915	" "	346,146,183	—	—	—	—	—	170,401	346,316,584	0.91
1916	" "	363,303,453	—	—	—	—	—	173,588	363,477,041	4.95
1916	6 months to Dec. 31	189,280,132	—	—	—	—	—	135,026	189,415,158	5.63†
1917	Year ending Dec. 31	380,819,242	—	—	—	—	—	198,096	381,017,338	1.99
1918	" "	217,203,899	—	102,619,954	28,739,858	—	—	100,989	348,604,700	8.49
1919	" "	886,034	—	—	173,808,769	146,162,131	3,803,815	97,936	324,758,685	6.86

REVENUE PASSENGERS CARRIED—Concluded

		5c Fares	6c Fares	7c Fares	8c Fares	10c Fares	Pupils' Tickets	Special Car Special Bus Passengers (See Note)	Total Revenue Passengers	Per Cent Yearly Increase
1920	"	"	3,846,989	—	—	326,496,184	5,105,588	77,800	335,526,561	3.32
1921	"	"	23,915,742	—	—	307,624,243	5,606,105	105,990	337,252,080	0.51
1922	"	"	71,425,347	—	—	279,851,313	5,213,664	103,618	356,593,942	5.73
1923	"	"	94,170,518	—	—	283,660,762	4,214,132	104,285	382,149,697	7.17
1924	"	"	85,218,867	9,549,775	—	283,569,003	4,443,228	107,975	382,888,848	0.19
1925	"	"	3,853,807	55,937,785	—	299,107,782	6,003,917	132,995	365,036,286	4.66§

* Increase for 9 mos.

† Increase for 6 mos.

5c. fare previous to Aug. 1, 1918

7c. fare Aug. 1, 1918.

8c fare Dec. 1, 1918.

Pupils' tickets (5c.) Jan. 1, 1919.

10c. fare July 10, 1919.

First 5c fare line (without transfer) Aug. 23, 1919.

First 5c local fare line March 26, 1921.

5c. fare for children under 14 yrs. (not including children under 5 yrs.).

June 14, 1922—Discontinued Nov. 5, 1924.

6c. local fare Nov. 5, 1924.

Note—Previous to 1908 Special Car Passengers included with 5c fares.

§ During the years 1922, 1923 and 1924, one passenger making a single journey for which he might pay two five-cent fares was counted as two revenue passengers. The substitution in November, 1924, of six-cent tickets for five-cent cash fares has often resulted in the payment of a ten-cent fare by such a passenger with a consequent reduction in the company's figures of total revenue passengers carried, though the gross passenger revenue for the year 1925 which increased \$371,269.51 would indicate substantially the same number of passengers carried by the railway in 1925 and 1924.

Bold face denotes decreases.

INVESTMENT FOR ROAD OWNED AND LEASED BY BOSTON ELEVATED RAILWAY
DECEMBER 31, 1925

Boston Elevated Railway

Road and Equipment	\$106,644,373 38
Misc. Real Estate	58,889 12

Total Boston Elevated Railway	\$106,703,262 50
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Leased Lines

Hyde Park Transportation Dist. (City of Boston)	\$225,000 00
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East. Mass. St. Ry. Co.

West Roxbury	\$768,328 71
East Boston	18,081 95
Middlesex Fells Line	29,546 01
Amount due Boston Elevated Ry. for Additions and Betterments	119,283 19

Total East. Mass. St. Ry. Co.	935,239 86
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Total Leased Lines	\$1,160,239 86
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City of Boston Investments—Subways and Tunnels

Tremont Subway	\$4,376,531 69
East Boston Tunnel	7,150,626 92
East Boston Tunnel Ext. . . .	2,332,885 24
Boylston Subway	6,460,777 28
Beacon Hill Tunnel	1,636,902 60
Washington Tunnel	7,926,202 06
Dorchester Tunnel	10,763,456 26

Total City of Boston Investment	\$40,647,382 05
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Commonwealth of Massachusetts Investment—Subways and Tunnels

Cambridge—Main St. Subway . .	\$7,964,000 00
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Total Commonwealth of Massachusetts Investment	\$7,964,000 00
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TOTAL INVESTMENT FOR ROAD OWNED AND LEASED	\$156,474,884 41
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INVESTMENT PER \$1 OF BUSINESS 1897 TO DATE

	Investment	Permanent Investment		Passenger Revenue Only	Total Income
		Per \$1 of Passenger Revenue	Per \$1 of Total Income		
Sept. 30, 1897	\$25,291,913.22	\$2.963	\$2.901	\$8,536,285.83	\$8,719,031.78
Sept. 30, 1898	31,251,811.90	3.485	3.376	8,967,587.56	9,257,252.94
Sept. 30, 1899	33,187,250.79	3.512	3.402	9,449,928.89	9,756,136.25
Sept. 30, 1900	37,793,501.62	3,799	3.692	9,948,438.78	10,236,994.49
Sept. 30, 1901	44,087,939.53	4.174	4.056	10,562,533.45	10,869,496.33
Sept. 30, 1902	46,466,591.31	4.201	4.104	11,060,385.40	11,321,030.13
Sept. 30, 1903	48,398,610.91	4.148	4.027	11,666,906.60	* 12,019,371.26
Sept. 30, 1904	51,886,524.39	4.296	4.127	12,078,800.39	12,436,593.79
Sept. 30, 1905	57,187,809.61	4.635	4.488	12,337,867.16	12,741,569.30
Sept. 30, 1906	59,873,910.46	4.567	4.391	13,109,316.03	13,634,612.49
Sept. 30, 1907	65,979,896.07	4.871	4.709	13,546,779.20	14,011,167.72
Sept. 30, 1908	70,957,716.76	5.207	5.042	13,628,383.20	14,074,696.51
Sept. 30, 1909	81,592,634.49	5.818	5.629	14,024,768.39	14,493,853.13
June 30, 1910	87,997,421.75	6.008*	5.729*	10,984,440.81	11,519,685.36
June 30, 1911	92,904,910.27	6.101	5.814	15,227,984.08	15,980,707.94
June 30, 1912	101,864,058.69	6.576	6.165	15,491,051.71	16,522,542.00
June 30, 1913	105,019,587.59	6.447	6.189	16,289,918.96	16,968,328.33
June 30, 1914	106,990,919.12	6.243	6.016	17,136,776.63	17,785,978.25
June 30, 1915	113,166,182.04	6.545	6.327	17,290,203.30	17,886,549.64
June 30, 1916	117,116,007.58	6.452	6.236	18,148,646.75	18,781,327.74
Dec. 31, 1917	121,807,319.67	6.400	6.146	19,030,940.62	19,818,407.01
Dec. 31, 1918	134,181,073.47	6.593	6.370	20,352,412.11	21,062,962.82
Dec. 31, 1919	138,117,974.50	4.836	4.682	28,767,544.11	29,498,582.82
Dec. 31, 1920	139,156,058.00	4.203	4.089	33,108,946.48	34,031,636.44
Dec. 31, 1921	141,345,133.42	4.382	4.248	32,253,629.59	33,277,025.53
Dec. 31, 1922	143,345,873.68	4.503	4.384	31,834,022.77	32,699,176.37
Dec. 31, 1923	149,001,108.85	4.475	4.369	33,297,951.50	34,096,813.26
Dec. 31, 1924	155,490,852.91	4.653	4.549	33,419,172.22	34,175,319.61
Dec. 31, 1925	156,474,884.41	4.630	4.529	33,790,441.73	34,547,379.61

The permanent investment represents the actual money expended for property operated, including subways owned by the City of Boston and Commonwealth of Massachusetts.

*For nine months only.

BOSTON ELEVATED RAILWAY

OUTSTANDING CAPITAL STOCK DECEMBER 31, 1925

No. Shares	Par Value	Net Premium	Amount Realized	Date of Approval by Commission	Yearly Dividend	Dividends Payable
FIRST PREFERRED STOCK†						
64,000†	\$6,400,000	.....	\$6,400,000.00	Nov. 11, 1887	8%—\$512,000.00	{ Jan. 1 July 1
SECOND PREFERRED STOCK‡						
800	\$80,000	.....	\$80,000.00	Sept. 7, 1887		
4,640	464,000	.....	464,000.00	Sept. 7, 1887		
9,560	956,000	.....	956,000.00	Jan. 24, 1889		
40,000	4,000,000	.....	4,000,000.00	Aug. 22, 1889		
35,850	3,585,000	\$786,934.15*	4,371,934.15	June 19, 1891		
4,542½	454,250	360,720.87	814,970.87	Mar. 19, 1903		
1,500	150,000	119,970.83	269,970.83	July 27, 1904		
4,200	420,000	290,506.25	710,506.25	Mar. 30, 1907		
10,109	1,010,900	420,393.13	1,431,293.13	Dec. 20, 1907		
13,900	1,390,000	710,385.37	2,100,385.37	Sept. 15, 1910		
2,200	220,000	102,034.38	322,034.38	Feb. 13, 1913		
2,800	280,000	90,534.38	370,534.38	Apr. 14, 1914		
4,350	435,000	121,892.31	556,892.31	Mar. 9, 1915		
5,847	584,700	16,039.50	600,739.50	Mar. 24, 1917		
140,298½†	\$14,029,850	\$3,019,411.17	\$17,049,261.17			
		786,934.15*	786,934.15*			
		\$2,232,477.02	\$16,262,327.02		7%—\$962,815.00	{ Apr. 1 Oct. 1
2,753¼§	275,350					
137,545	\$13,754,500					
PREFERRED STOCK						
30,000	\$3,000,000	.....	\$3,000,000.00	{ Chap. 159— Spec. Acts 1918	7%—\$210,000.00	{ Jan. 1 July 1
COMMON STOCK						
5,000	\$500,000	.....	\$5,000,000.00	July 26, 1897		
95,000	9,500,000	.....	9,500,000.00	July 6, 1900		
33,000	3,300,000	\$1,815,000.00	5,115,000.00	Aug. 22, 1902		
66,500	6,650,000	695,958.13	7,345,958.13	Dec. 18, 1908		
39,294	3,929,400	196,470.00	4,125,870.00	Dec. 6, 1912		
238,794	\$23,879,400	\$2,707,428.13	\$26,586,828.13		6%—\$1,432,764.00	{ Jan. 1 Apr. 1 July 1 Oct. 1

*Credited to surplus. Not used for road and equipment purposes.

†Par value changed from \$50.00 to \$100.00 June 10, 1922.

‡Prior to June 10, 1922.

§ R. E. Ry. 1st Pfd. Stock was W. E. St. Ry. Co. Pfd. Stock.

§ B. E. Ry. 2nd Pfd. Stock was W. E. St. Ry. Co. Common Stock.

Order of D. P. U. 759, June 2, 1922, authorizing issue of new stock June 10, 1922.

718½ shares retired July, 1923

§ 919 shares retired Aug., 1924

1116 shares retired Aug., 1925

} from income of Special Trust Fund.

OUTSTANDING FUNDED DEBT DECEMBER 31, 1925

Par Value	Rate	Maturity	Net Premium of Discount	Amount Realized	Date of Approval by Commission	Yearly Interest	Co.
\$3,000,000	6 %	June 1, 1933	*\$180,000.00	\$2,820,000.00	May 10, 1923	\$180,000.00	B. E.
2,098,000	6 %	Mar. 1, 1934	24,315.82	2,122,315.82	Feb. 15, 1924	125,880.00	B. E.
1,581,000	5½%	Aug. 1, 1934	*5,027.58	1,575,972.42	June 19, 1924	86,955.00	B. E.
7,500,000	4 %	May 1, 1935	276,900.00	7,776,900.00	Apr. 7, 1905	300,000.00	B. E.
1,000,000	4 %	May 1, 1935	*55,000.00	945,000.00	June 15, 1907	40,000.00	B. E.
4,800,000	4½%	Oct. 1, 1937	*29,585.04	4,770,414.96	June 15, 1907	216,000.00	B. E.
5,000,000	4½%	Nov. 1, 1941	*100,000.00	4,900,000.00	Oct. 17, 1911	225,000.00	B. E.
4,000,000	5 %	Dec. 1, 1942	*80,000.00	3,920,000.00	Dec. 6, 1912	200,000.00	B. E.
1,000,000	5 %	Dec. 1, 1942	*78,940.00	921,060.00	May 27, 1914	50,000.00	B. E.
3,286,000	5 %	Dec. 1, 1942	*261,779.76	3,024,220.24	Nov. 9, 1915	164,300.00	B. E.
2,700,000	6¼%	Feb. 1, 1927	14,040.00	2,714,040.00	Dec. 23, 1921	168,750.00	W. E.
1,956,000	6 %	May 1, 1927	5,281.20	1,961,281.20	Dec. 23, 1921	117,360.00	W. E.
850,000	4½%	July 1, 1930	255.00	850,255.00	July 2, 1910	38,250.00	W. E.
754,000	4½%	July 1, 1930	28,727.40	782,727.40	Apr. 4, 1912	33,930.00	W. E.
3,559,000	4 %	Aug. 1, 1932	72,568.01	3,631,568.01	Sept. 18, 1902	142,360.00	W. E.
700,000	4 %	Aug. 1, 1932	33,251.00	733,251.00	Dec. 1, 1903	28,000.00	W. E.
750,000	4 %	Aug. 1, 1932	38,227.50	788,227.50	Sept. 1, 1904	30,000.00	W. E.
200,000	4 %	Aug. 1, 1932	11,866.00	211,866.00	Feb. 11, 1905	8,000.00	W. E.
500,000	4 %	Aug. 1, 1932	2,290.00	502,290.00	Dec. 12, 1906	20,000.00	W. E.
600,000	5 %	Nov. 1, 1932	24,888.00	624,888.00	Feb. 13, 1913	30,000.00	W. E.
815,000	5 %	May 1, 1936	5,786.50	820,786.50	Apr. 6, 1916	40,750.00	W. E.
2,600,000	5 %	Mar. 1, 1944	112,832.07	2,712,832.07	{ Feb. 4, 1914 Apr. 14, 1914 Aug. 24, 1917 Sept. 4, 1917	180,000.00	W. E.
570,000	7 %	Sept. 1, 1947	399.00	570,399.00		39,900.00	W. E.
\$49,819,000			*\$138,704.88	\$49,680,295.12		\$2,415,435.00	

*Discount.

HISTORY OF THE 1919 LOAN ASSESSMENT ON CITIES AND TOWNS
CHAPTER 159, SPECIAL ACTS 1918

*Allocation of Assessment on Cities and Towns of Boston Elevated Deficit, Year
ended June 30, 1919.*

CITIES AND TOWNS	Passengers	Per Cent.	Amount	Distribution of July, 1922 Repayment	Distribution of July, 1923 Repayment	Distribution of July, 1925 Repayment	Balance Due
Boston . . .	2,100,423	71.9330	\$2,863,042.50	\$372,034.92	\$790,029.10	\$14,902.98	\$1,686,075.50
Cambridge . .	283,475	9.7081	386,397.11	50,209.95	106,622.54	2,011.31	227,553.31
Somerville . .	122,583	4.1981	167,090.75	21,712.43	46,106.54	869.75	98,402.03
Brookline . .	74,553	2.5532	101,621.23	13,205.06	28,040.99	528.96	59,846.22
Medford . . .	59,754	2.0464	81,449.82	10,583.91	22,475.56	423.97	47,966.38
Malden . . .	55,838	1.9123	76,112.44	9,890.35	21,002.65	396.19	44,823.25
Everett . . .	54,823	1.8775	74,727.35	9,710.36	20,619.69	388.97	44,008.33
Watertown . .	41,198	1.4109	56,155.96	7,297.12	15,496.14	292.32	33,070.38
Arlington . .	32,477	1.1122	44,267.25	5,752.26	12,215.36	230.43	26,069.20
Chelsea . . .	29,659	1.0157	40,426.40	5,253.17	11,154.86	210.42	23,807.95
Newton . . .	27,201	.9316	37,079.09	4,818.20	10,231.84	193.01	21,836.04
Belmont . . .	18,746	.6420	25,552.57	3,320.40	7,051.43	133.02	15,047.72
Quincy (Common- wealth of Mass.)	15,569	.5332	21,222.17	2,757.69	18,464.48	.....	.....
Stoneham (Com- monwealth of Mass.) . . .	3,674	.1258	5,007.03	650.63	4,356.40	.....	.....
*Commonwealth of Mass. . . .	.....	.....	.....	.....	690.24	.....	*690.24
Totals . . .	2,919,973	100.00%	\$3,980,151.67	\$517,196.45	\$1,114,557.82	\$20,581.33	\$2,327,816.07

Based on traffic counts made July 24, 25, 26, 27, 1919, in accordance with the provisions of section 14, chapter 159, Special Acts 1918.

*From the July 1923 repayment the Commonwealth of Massachusetts deducted \$690.24 to reimburse themselves for the difference between 126 days' interest at 4.28 per cent. on \$4,000,000. (Note issued July 17, 1919, due November 20, 1919) and \$3,980,151.67, the amount paid to the Boston Elevated Railway Company \$297.33

And interest from July 17, 1919, to July 19, 1923, on amount the State deducted to pay assessment of Quincy and Stoneham 392.91

Amount of expense to State to be assessed to towns and cities pro rata to their original contribution \$690.24

*Credit.

RESERVE FUND

Balance January 1, 1925	\$176,868 31
Excess of Receipts over Cost of Service	
January	\$269,649 08
February	118,183 05
March	211,955 71
April	130,636 68
May	139,081 44
October	117,703 96
November	45,265 00
December	289,345 67
	\$1,321,820 59
Excess of Cost of Service over Receipts	
June	\$25,792 94
July	249,477 93
August	367,593 94
September	176,763 97
	\$819,628 78
Excess for the Year of Receipts over Cost of Service	\$502,191 81
	\$679,060 12
Amount Refunded to Commonwealth of Mass., July 1, 1925	20,581 33
	\$658,478 79
Profit and Loss Items Dr.	20,680 88
Balance—December 31, 1925	\$637,797 91

BOSTON ELEVATED RAILWAY COMPANY, TRUSTEE

STATEMENT OF SPECIAL TRUST FUND, DECEMBER 31, 1925

Principal of Trust Fund as established	\$1,500,000 00
Accretions and accumulations to December 31, 1925	633,495 86
Total Special Trust Fund	\$2,133,495 86
Income from June 10, 1922, to December 31, 1925	\$330,694 92
Less amount paid on account of retirement of	
Second Preferred Stock, as follows:	
718½ shares purchased July, 1923	\$72,193 40
919 shares purchased July, 1924	90,319 68
1,116 shares purchased July, 1925	111,685 37
	\$274,198 45
	\$56,496 47
Investments	\$2,126,840 34
Cash on Deposit	\$63,151 99



SURFACE LINES	DOUBLE TRACK
RAPID TRANSIT	SINGLE TRACK
BUS LINES	ELEVATED
	SUBWAYS





BOSTON ELEVATED RAILWAY LINES
OPERATED 1925

SURFACE LINES { DOUBLE TRACK
SINGLE TRACK
RAPID TRANSIT { ELEVATED
SUBWAYS
BUS LINES

STATE TRANSPORTATION LIBRARY



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